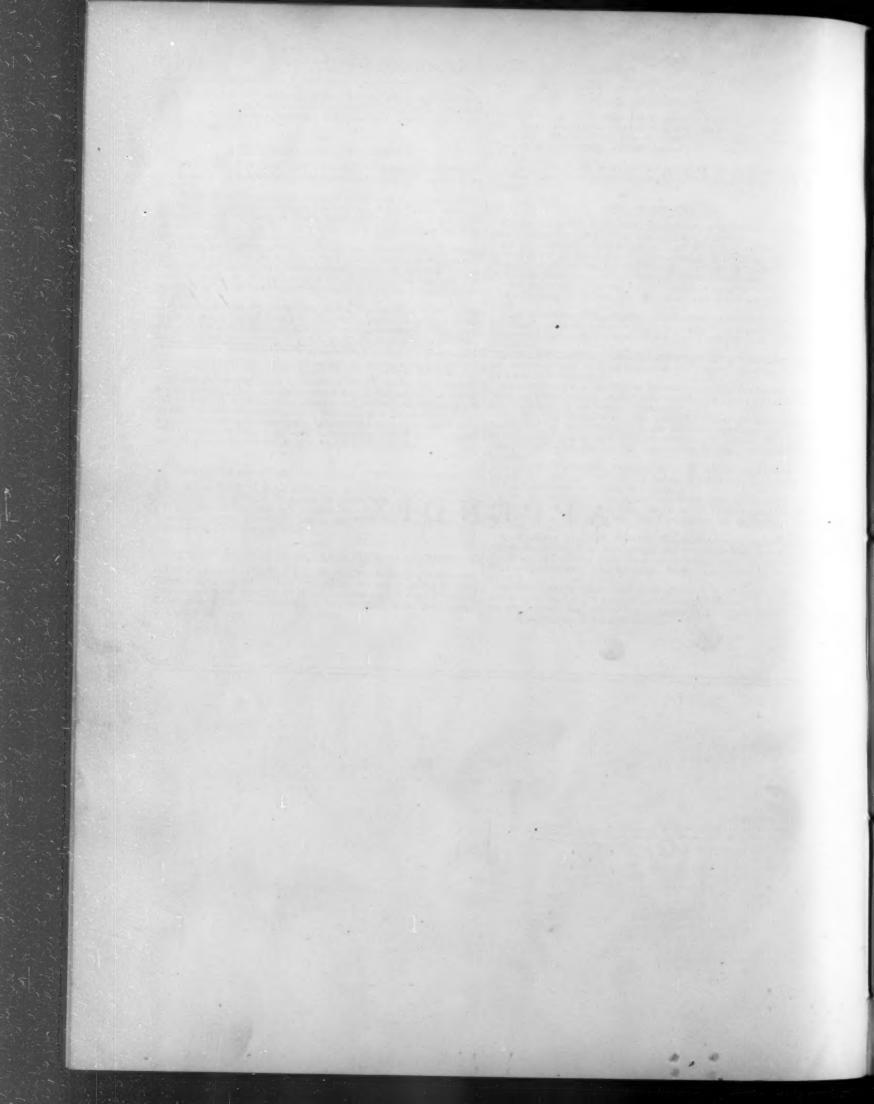
APPENDIX.



APPENDIX

TO THE

CONGRESSIONAL RECORD.

The Coin Redemption Fund.

REMARKS

HON. LORENZO DANFORD,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. DANFORD said:

Mr. Speaker: While there are some good features about the bill under consideration, especially the one requiring the Secretary of the Treasury to advertise the bonds offered for sale, yet I can not support the measure for reasons that to me should control the votes of members on this side of the House. As a party we stand pledged against increasing the interest-bearing debt of the Government in time of peace. We have insisted in the two last popledged against increasing the interest-bearing debt of the Government in time of peace. We have insisted in the two last political campaigns that we should raise by tariff taxation a sufficient amount of revenue that, added to the internal taxes, would be sufficient to support the Government. On Thursday last we passed in this House a bill that the Ways and Means Committee tell us, if carried into the legislation of the country, will be sufficient for that purpose. Indeed, the Secretary of the Treasury, who ought to know, claimed in his annual report to Congress that we will soon have sufficient revenue to carry on the Government without additional taxation of any character.

without additional taxation of any character.

This Administration has been in financial straits ever since it took charge of the Government two and a half years ago. Contook charge of the Government two and a half years ago. Congress was convened in extra session for the purpose of repealing what is known as the Sherman silver-purchasing act, the President claiming that all of the financial troubles of the country grew out of the menace to our credit contained in that act. The law was repealed and there was no preceptible relief. The Republican party then claimed that our financial and business distress grew out of the vicious revenue legislation threatened by the Democratic party, and that relief could be had only by assuring the country that when we were reinstated in power the country would settle down to the policy of protection.

This House meets and we are confronted with a demand from the Executive and his chief financial officer that the country must have relief by retiring from circulation \$346,800,000 of legal-tender currency now in use by the people. This is insisted upon by both the President and the Secretary of the Treasury; and while as a direct proposition put to this side of the House, the policy of the Administration could not command one-third of the votes of the Republicans, yet it seems to me that the bill under consideration. was convened in extra session for the purpose of repealing

Administration could not command one-third of the votes of the Republicans, yet it seems to me that the bill under consideration, if it should become a law, and should be executed in the spirit of the message and the report of the Secretary of the Treasury, hostile as they are to the greenback circulation, it would have the effect of retiring them entirely from circulation.

The bonds authorized by this act are for the redemption of United States legal-tender notes, and for no other purpose. These bonds bear 3 per cent interest, and with the proceeds the legal-tenders are to be taken up—redeemed—and with an administration of the Treasury Department hostile to the greenbacks we would substitute by this plan, in a very short time, \$346,000,000 of 3 per cent interest-bearing bonds for noninterest-bearing debt, and the greenbacks once redeemed would be held in the Treasury and no longer constitute a part of our monetary circulation. and no longer constitute a part of our monetary circulation.

As I have already said, the Secretary of the Treasury claims that As I have already said, the Secretary of the Treasury claims that under existing laws he will soon be able to meet all current demands upon the Treasury. We have already, as we are told by the Committee on Ways and Means, by the bill passed on last Thursday, added another forty millions or thereabouts to the revenue, so that there would be no necessity for again putting the greenbacks into circulation and they would be held in the Treasury. But suppose that the Treasurer should redeem them by the sale of the bonds provided for in this act, and again pay them out to meet current demands, or in any way put them in circulation, there would be just as much likelihood of these legal-tender notes being bought up again and again by speculators and the Secretary forced from up again and again by speculators and the Secretary forced from time to time to sell more bonds in order to redeem them over and over again.

I do not believe, however, that unless some exigency should occur that they would be paid out, but would remain in the Treasury, and we would soon have substituted for this noninterestbearing debt an interest-bearing bond of the Government. people do not want to see the greenbacks retired in any way, much less in the covert manner provided for in this bill. I was in Congress in 1875 and 1878, when the discussion about the green-Congress in 1875 and 1878, when the discussion about the green-backs was going on in the country, and there was then no matter about which the plain people of this country were more sensitive than about this same legal-tender paper currency. Our legislation at that time upon this subject gave the Republican party great trouble. It is the favorite money of the people; they are familiar with it; they prefer it to gold; it is convenient, and, as they believe, costs nothing; and if the Republican party in this Congress should be a party to any measure that either directly or indirectly retires this currency and substitutes for it an interest bearing debt we will have to answer for it at the polls.

It is said that even now fifty millions of these legal tenders are in the Treasury awaiting presumably for some legislation that will enable the Secretary of the Treasury to permanently retire them. It seems to me that in this bill we are providing the means by which he can retire in a few months the great bulk of these legal tenders, and I for one will not aid him or this Administration in

this purpose.

But we are told that this bill substitutes a 3 per cent for a 4 or 5 per cent bond. My observation is that in the purchase of bonds those who are able to make purchases are able to dictate terms, and that a 3 per cent bond will be in the long run as expensive to the Government as a 4 per cent bond. But be that as it may, I will not be a party to this legislation. The Secretary of the Treasury and the President, after having blundered through almost three years of disastrous financial legislation, undertake to dictate to a Republican Congress the relief that they desire. We said in our platforms in 1894 and 1895, that the trouble with the country was not so much in its finances as in the disastrous revenue legislation of the Fifty-third Congress. Relief will come to this country when we quit buying wool and woolens from abroad with our gold; when we quit buying tin plate and pottery and other articles from abroad that we might as well manufacture at home. Relief will come when the balance is on the aracture at home. Relief will come when the balance is on the right side of the great business ledger, and not until then. We are in a position in this House to say to the other end of the Avenue that we present to them the relief of more revenue, of steadier business, and the financial policy that will save the country from the panics that almost daily affect this Administration.

The people are not demanding the legislation contained in this bill, and in my judgment they will resent it as not in keeping with our pledges and with the policy that they indorsed in our election to this House.

The President's Two Special Messages to Congress on the Venezuelan Boundary and the Condition of the Treasury.

SPEECH

HON. ELIJAH A. MORSE,

OF MASSACHUSETTS,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. B. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency—

Mr. MORSE said:

Mr. MORSE said:
Mr. Speaker: I can hardly hope to add anything to the exhaustive argument in support of this bill offered by the distinguished gentleman from Maine [Mr. DINGLEY], chairman of the Committee on Ways and Means, or to the eloquent presentation of the same matter by the distinguished gentleman from Pennsylvania [Mr. DALZELL], or the unanswerable argument of the gentleman from Iowa, my friend, General Henderson.

These gentlemen have left nothing to be said in defense or support of this measure. Of course there are a great many amendments to this bill that I would like to offer in the interests of my

The duty on woolen goods, as proposed, is far too low. The country has been, and I fear will continue to be under the increased duty contemplated by this bill, flooded with cheap European Contemplated by the bull, flooded with cheap European Contemplated by the bull flooded with the bull flooded

pean shoddy goods, to the great injury of the woolen manufac-turers of my district and the country.

In my district are located the "tack" manufactories of the world; millions are invested in the business. The ad valorem duties of the Gorman-Wilson bill as amended by this bill work a great hardship to these manufacturers. They are crying out for a specific duty that will prevent undervaluation. The fire-brick interest of Taunton, in my district, is greatly injured by the low duty of the Gorman-Wilson tariff bill, which the horizontal in-

case will not materially assist.

There are numerous other industries which need increased pro-There are numerous other industries which need increased protection, and were opportunity offered I would offer amendments at these points; but it has been explained to us by the gentlemen who have preceded me that this is not a revision of the tariff, but is purely a revenue bill, to meet the existing deficiency in the receipts of the Government and make them equal to its expenses, in response to the message of the President of the United States.

A general revision of the tariff is now impossible on Republican and protection lines. Such a revision of the tariff would pass neither the Senate nor the Democratic President. Such a revision will have to be postnoned for 438 days more, when the Republicans

neither the Senate nor the Democratic President. Such a revision will have to be postponed for 483 days more, when the Republicans will again be in control of every department of this Government. Then and not until then can we hope to return to the wise economic and financial policy of the Republican party and that universal prosperity which has always attended the Administration of the Republican party, and which has always forsaken the country when the Democrats have been in power.

Under a Republican Administration, from the time of the resumption of specie payment until the Democratic party again came into power, on the 4th of March, 1893, the Government had no trouble in keeping up its gold reserve, and the one hundred millions in gold was never trenched upon.

No amount of juggling with figures or miscalculations and mis-

lions in gold was never trenched upon.

No amount of juggling with figures or miscalculations and misstatements by the Secretary of the Treasury will deceive the American people in regard to the true cause of the shrinkage of our gold

Dissemble or cloak it as the Secretary of the Treasury may, the naked truth is that the gold reserve has been used directly and indirectly to make good the deficiencies in our revenue and to pay the running expenses of the Government. And that condition of things will continue until this deficit in our revenue is corrected by the bill now under consideration or some other bill to increase

Incompetency, imbecility, and inefficiency mark this Democratic Administration in every department of the Government. Under the Administration of President Harrison the country not only enjoyed unbounded prosperity, but labor and capital were everywhere employed, times were good, wages were good, and the country was enjoying a development and prosperity beyond any ever known in our history. And besides all this, during the four years of Harrison's Administration we paid off over \$200,000,000

of the public debt.

All this has been reversed under the Administration of Grover Cleveland. Property has decreased in value, factories have been

closed, labor has been employed at reduced wages or no wages at closed, labor has been employed at reduced wages or no wages at all; our career of prosperity has been checked, the hand on the dial of progress has been turned backward, and the national debt has been increased more than \$163,000,000. And as the result of the two messages recently sent to Congress, a second panic and universal prostration of business was narrowly averted.

But I desire to address myself also, briefly, to the Venezuela message and to explain to my constituents and the country my attitude toward that matter.

Mr. Speaker, when the bill was introduced into this Heave

Mr. Speaker, when the bill was introduced into this House. Mr. Speaker, when the bill was introduced into this House, December 18, creating a commission for the investigation of the Venezuela boundary dispute, in harmony with the recommendation of the President of the United States—I say, when this resolution was introduced by the distinguished gentleman from Illinois [Mr. Hitt], the House was taken by surprise. A single objection by a single member would have prevented its consideration.

I did not offer that objection, but I very much desired then and desire now to explain my vote in favor of the bill The bill simply provides for a commission of inquiry, with a view to learn what are the bottom facts in regard to this boundary dispute between Great Britain and the State or Republic, if it can be called such, of Venezuela.

such, of Venezuela.

The controversy over the boundary line is of long standing, extending over a period, I think, of fifty years. This commission, while to some extent an ex parte tribunal, would be an entirely disinterested commission, and would undoubtedly give exhaustive examination to all sides of the question.

And most undoubtedly their finding in the premises would be accepted by the nations of the earth as an equitable and just decision regarding the boundary between the two countries so long in dispute. This commission might discover, what many people believes they would, that there is no violation of the Monroe doctrine in the boundary-line controversy in Venezuela, or after hearing in the boundary-line controversy in Venezuela, or after hearing all sides they might decide in favor of the English contention, but be that as it may, if it is proposed to make the finding of the commission, if not consented to by Great Britain, the ground for declaring war against that country, you can count me out. Why, the civilized world revolts with horror from the bare possibility of such a conflict between the two great Anglo-Saxon English-speaking and Christian nations of the earth.

speaking and Christian nations of the earth.

It is not to be entertained or thought of for a single moment; it would be the calamity of the nineteenth century. Ourselves and the English-speaking people have ten thousand thousand interests in common of vastly more moment than the Monroe doctrine. They are bone of our bone and flesh of our flesh. No sane person can contemplate war between these countries.

The destruction of commerce, the bombardment of defenseless cities by modern war vessels that can throw dynamite bombs into a city with the vessel out of sight. Such consequences are too horrible for contemplation and would not be sanctioned by the people of sither country, and certainly could find no justification in the

of either country, and certainly could find no justification in the Venezuela quarrel.

Venezuela quarrel.

Three hundred years ago Spaniards conquered these South and Central American countries. They found them docile, peaceable, unwarlike heathen. After having had their civilization for three hundred years some of these countries are peopled by some of the most bloodthirsty people on the face of the earth.

It is not my purpose here to locate the responsibility or explain the causes for the deplorable condition of things existing in many of these Republics, whose normal condition is revolution and anarchy and whose people are superstitious, ignorant, and without sufficient intelligence for a republican form of government.

In confirmation of what I have said, witness the recent war between Chile and Peru, in which every rule of civilized warfare

tween Chile and Peru, in which every rule of civilized warfare was outraged. Old men, women, and children, noncombatants, were butchered and murdered on both sides.

were butchered and murdered on both sides.

What, a war between the United States and England over the Venezuela boundary? Why, Mr. Speaker, the whole State isn't worth a week's fighting between these two great nations.

Why, Mr. Speaker and gentlemen of the House of Representatives, what is the Monroe doctrine? Is it understood to mean that we are to establish a protectorate over all these miserable revolutionary governments and countries, and make their quarrels our quarrels, and allow them to say to themselves and each other, no matter what the merit of our case is the great Government of the United States, with its sixty-five millions of people, stands behind us. hind us.

I say that a war over such a matter as this would not be sano I say that a war over such a matter as this would not be sanctioned by the people of either country. At the beginning of this very year I had the honor to present in this House a memorial, borne across the sea by W. Randall Cremer, a member of the English House of Parliament, signed by no less than 354 members of the British House of Commons, praying this Government to join with the Government of Great Britain in a treaty to refer all questions of international dispute to arbitration. That petition, with the signatures printed in full, will be found in the CONGRESSIONAL RECORD of the Fifty-third Congress, third ses-

sion, page 2408, of February 19, 1895.
You ask me what would I do in the premises with reference to this and other questions now in dispute between this Government and that of Great Britain. I would do exactly with this as we did in the case of the Alabama claims.

We didn't go to war or threaten war over those claims, involv-g the destruction of American commerce and the loss of untold millions to our countrymen, in which the English Government

was clearly at fault. What did we do?

was clearly at fault.

What did we do? We placed our claim on file and bided our time, and finally adjusted the matter by arbitration and received \$15,000,000 from Great Britain for damages to our commerce.

What would I do now? I would not abate one jot or tittle of our demand at present. I would place our demand in regard to the boundary line of Alaska on file. With reference to Nicaragua and Venezuela, I would insist upon our demands, and demand that the questions in controversy be left to arbitration by some international innertial tribunal. national inpartial tribunal.

And in time we would accomplish our object and have a peace-able and just settlement of these great international questions, honorable and just to both countries, and without bloodshed and

What, war with Great Britain over the boundary of Venezuela or the seals of Alaska? Why, Mr. Speaker, all the seals that ever swam in Bering Sea, all the fish that ever swam in Canadian

swam in Bering Sea, all the fish that ever swam in Canadian waters, are not worth a day's war.

Such a war would turn back the hands on the dial of progress and peace, good will, and comity between nations a thousand years. No, Mr. Speaker, I am not in favor of a protectorate over the South and Central American republics.

I would assert the Monroe doctrine, if anybody knows what that is, and continue to assert it. I would say to Great Britain that we looked upon her interference in the affairs of Nicaragua or the Sandwich Islands or of Venezuela as a wrong, as an act unfriendly to this Government, and I would bide our time for a settlement of these disputed questions by arbitration.

I appropried the bill authorizing a commission of inquiry solely

I supported the bill authorizing a commission of inquiry solely and entirely that we may give to ourselves and the world accurate and correct information in regard to the pending boundary dispute between Venezuela and Great Britain.

It must be a source of great pleasure and satisfaction to every lover of his race to read the expressions, not only of this country but of prominent Englishmen as well, deprecating and denouncing any resort to arms as a method of settling disputes between these two great Christian and English-speaking peoples.

On Sunday last the clergy of Boston in their pulpits denounced an appeal to war in the most unmeasured terms, and these learned and expressed gentlement work undendedly verged the well-night.

an appear to war in the most unineasured terms, and these learned and reverend gentlemen most undoubtedly voiced the well-nigh unanimous sentiment of Massachusetts and New England, and, I believe, the sober second thought of the entire country.

Surely, at this Christmas season, when we are celebrating the birth of Him who left His home in glory, who was rich and for our sakes became poor, that we through His poverty might be made rich; surely while we are celebrating the birth of the lowly Nazarene, who walked beneath the palm trees of Judea nineteen centuries ago, whose birth was heralded by angels with a song of peace on earth and good will toward men; surely this is a fit and proper time for these great Christian nations to dismiss all thought

proper time for these great Christian nations to dismiss all thought of submitting to the arbitrament of the sword such a comparatively trivial and unimportant matter as a boundary line in Venezuela, 2,500 miles removed from our country.

The following letters from eminent citizens of Massachusetts are specimens of a large number of letters that I have received on the subject of the President's Venezuela message. The first is from Dr. Henry B. Blackwell, a patriotic gentleman, widely and favorably known throughout New England:

BOSTON, MASS., December 23, 1895.

DEAR FRIEND: Oblige me by reading my brief inclosed letters cut from Saturday's Herald, also that of Edward Atkinson. President Cleveland is making a most audacious move to compel his renomination and to give the Democratic party four years more of Democratic rule.

He will plunge us into a fratricidal war with the only Protestant nation in Europe allied to us in race, language, and institutions, unless the Republicans refuse to follow his lead. Don't let them fall into his trap.

British Guiana is the only Anglo-Saxon foothold in South America. It is the only free State where elections are anything but nominal. It is governed by a legislature of its own, and is a Republic in all but name, like the provinces of Canada.

Venezuela is a Republic only in name. It is a chaotic, semibarbarous spanish-indian military despotism, where neither life nor property is safe, no more to be compared with Guiana than is a Mexican "greaser" to a civilized white man.

This is not a case where the Monroe doctrine applies. Guiana is a part of the status quo of the American Continent, the only country where you and I could enjoy life under a government of law.

Don't let the Republicans be fooled. Cleveland means mischief.

Yours, truly,

HENRY B. BLACKWELL.

The following quotation is taken from a letter received from a distinguished New York lawyer, whose name I have not permission

NEW YORK CITT, December 25, 1895.

MY DEAR MORSE: * * Regarding the Venezuelan matter, one thing surprises me, which is that Congress, both the Senate and House of Representatives, should have voted unanimously for the appropriation for the commission in accordance with the suggestion contained in the President's message, and that so many of the leading ministers of the country should seem to take a view very different from that taken by Congress. In this city, and especially in Brooklyn, much earnest talk was had upon this subject last Sunday from the pulpits, and the sentiments in favor of peace and the criticisms on the Monroe doctrine, especially its application to the present controversy, were in many cases loudly applauded. * * * NEW YORK CITY, December 25, 28

The following letter is from Henry Wood, esq., a gentleman whose opinion on economic, diplomatic, and moral questions cer-tainly commands the respect of all who know him:

"THE WARREN," Roxbury, Mass., December 21, 1895.

MY DEAR MR. Morse: Since the recent hasty action of the House in the Cleveland commission matter, among the scores of solid Republicans, citizens, business men, and Christian men that I have met there was not one who does not deplore it and regard it as a mistake of the greatest importance. The sensational jingo press entirely misrepresents the sentiment of the thoughtful people. The Boston Journal has largely lost its influence by its unseemly and unpatriotic frothiness.

Though I have not the honor of your personal sequaintance, I have always been a warm admirer of your patriotism and general uprightness in public and private life. You will therefore pardon me if I make a criticism, for it is done in a friendly spirit. It is that whether, from the standpoint of party, country, economics, morality, or Christianity, you and the other Republicans in Congress have made the gravest mistake of your lives. I can truthfully assure you that nineteen-twentieths of the rank and file of the party would agree with me.

assure you that nineteen-twentieths of the rank and file of the party would agree with me.

The moral sense of the nation will never sustain any war, especially with England, on any issue less important than that of actual self-defense. In this episode human progress has received a terrible shock and setback.

Very respectfully, yours,

Hon. ELIJAH A. MORSE, M. C.,
House of Representatives.

HENRY WOOD.

The following is from the pen of Edward Atkinson, a gentleman who needs no introduction to the people of New England or of the

The following is from the pen of Edward Atkinson, a gentleman who needs no introduction to the people of New England or of the country:

In this time of distrust and danger it is fit that anyone who has the ear of the public in any way should speak pissinly. Little time has yet been given to review President Cleveland's message and the accompanying documents, yet having met in the last two days a great number of prominent and influential men, notably many of the President's most earnest supporters in all that he has previously done, I find but one universal feeling—all are shocked, all are grieved, all concur in condemning utterly the recent action by which such terrible support has been given to the jingo spirit, heretofore arrayed against the President.

If an act of the Executive of this country should be committed which would procipitate war with Great Britain on a petty boundary question in South America, it is held that it would be a crime against humanity. If a position is taken, such as appears to have been taken, promoting violence without the expectation of a resort to war, it is held to be a supendous and humilisting blunder. If the object should prove to be merely to cater for success in a party sense to the jingo element, then the vordict must be to the degredation and disgrace of everyone sharing in such a base purpose.

So far as men of intelligence who have tried to master the details of this case are concerned, many in number with whom I have conversed in the last two days, men of highest position and influence in this community, without respect to party, notably, as I have said, those who have gone to the fullest extent in the support which they have herefore given to President Cleveland, all concur in the following summary of the conditions:

First. The admission by the President and Secretary of State that Great Britain and Venezuela may settle this case for the cession of territory, one to the other, either for money consideration or otherwise, proves conclusively that the Monroe doctrine h

British Islands.

The suggestion has been made by a prominent citizen of this city, whose influence would be very great, which I hope he will urge to the utmost, namely, in view of the fact that the Monroe doctrine, so called, was established either at the instance or with the assent of the British foreign minister, George Canning, and in view of the fact that the proposed application of

this Monroe doctrine by the President is, in the judgment of the highest constitutional lawyers and students, like Professor von Holst, utterly unwarranted in fact, being a perversion of the true Monroe doctrine, therefore its suggested that the Monroe doctrine itself be submitted to arbitration, in order that its original purpose, shared in by all English-speaking people—by Great Britain and the United States as well—shall be fully defined and carried into effect, and that its perversion to unrighteous ends at the danger of war shall be finally stopped.

EDWARD ATKINSON.

The history of this Administration has been a history of colossal blunders, especially with reference to our foreign relations, from the date the President attempted to reinstate a profligate, blood-thirsty heathen queen on the throne of the Sandwich Islands, after she had threatened to behead all the white men, banish their families, and confiscate their property. Had the President used a message to Congress to threaten the blood-thirsty Turkish Government with the military power of this Government instead of our brethren across the sea, it might have violated precedent and the Farewell Address of George Washington, but it would have met the applause of the civilized world. The following letter is pertinent to this observation. I regret that I am not at liberty to use the writer's name: use the writer's name:

NEWTONVILLE, MASS., December 23, 1895.

Dear Sir: Excuse me for the draft upon your time in sending the present communication, but as a Christian and an American citizen, as one who holds dear to heart the principles of Christian civilization, I write to ask if nothing can be done to stem the tide of infattation which seems to have taken possesion of so many of our public men within the last few days, threstening to embroil the two leading nations of the globe in a petty fight. Here we have been watching and praying for weeks past that in the name of humanity and of a higher civilization, something might be done by the Christian nations of the world to put a summary stop to the wholesale slaughter of the thousands of our Christian brethren in Armenia; waiting the slow processes of international courtesy and usage, hampered as they were by mutual jealousies, while the murderous work and pillage kept right on, when, lo, and behold, instead of joining hands in the name of Christ to demand relief for their persecuted brethren of another wing of the Christian family, the two most powerful representatives of Christ's kingdom upon earth start up a quarrel with each other, over a matter of not one hundredth the importance to either of them, and with which one of them has not directly any concern whatever. The religious and financial interests of this country will not recover rom the shock if this matter goes on to its culmination for the next ten years.

What nuts this must be to His Majesty the Sultan, and his whole infamous court.

court. In haste, yours, sincerely,

Hon. ELIJAH A. Morse, M. C., House of Representatives.

The following telegram, which is from an important and influential business man of Boston, is germane to a discussion of the Venezuelan boundary question, and I am sure voices the sober second thought of many true and sincere Americans:

BOSTON, MASS., December 20, 1895.

Am satisfied that New England's representative men irrespective of party affiliations emphatically condemn President's course, and the prospect of endorsement by Congress causes grave apprehension here. We urge you to use every effort to kill the bill for Commission.

Hon. ELIJAH A. Morse, M. C.,

House of Representatives. The following letter is from Hon. William H. Osborne, a gen-

tleman of high character and standing in Massachusetts, a member of the Plymouth and Suffolk bar, and was New England pension agent for four years under President Harrison. Mr. Osborne's opinion will carry great weight with all who know that gentleman:

BOSTON, MASS., December 19, 1895.

BOSTON, MASS., December 19, 1895.

MY DEAR SIB AND COMBADE: I saw you quoted this morning in relation to the present war talk. It may be of no earthly consequence to you or anybody else, but I agree with you fully and I agree with Congressman BOUTELLE of Maine, although the Boston Journal takes exception to his remarks.

I have no patience with this whole business, and I think the Republican Congressmen and the Republican press have made a mistake in their gushing indorsement of the President. I am opposed to war unless it is absolutely necessary to protect the honor or integrity of the nation. I have seen war enough, and am still suffering from its consequences. If Cleveland had entered the Army during the late war, instead of sending a substitute, perhaps he would not be so bloodthirsty as he now is. If we must have a war, let us have a President that knows something about it, and who has not been fighting the old soldiers, cutting off their pensions, etc.

It is all politics, and is resorted to to distract public attention from the errors and shortcomings of the Administration, and, if possible to secure, for him (Cleveland) another term as President. He has been continually giving away American interests ever since he was President, and now he assumes a most war-like attitude over a matter of very little consequence. I do not think the American people upon sober second thought want to go to war over a boundary line between two countries in South America, neither one of which are more than half civilized. I have an idea that this war cry will react upon the President when the people have thought it over carefully, and as much as more as about right. It is a game of politics, as much so as the juggling that is going on over the national linances. I hope the Republicans will brace up and clear the air of its present pollutions.

I am, your sincere friend,

Hon. ELIJAH A. Morse, M. C., House of Representatives.

The following letter is from my distinguished predecessor, ex-Governor John D. Long, who represented for six years the dis-trict I have the honor to represent, and was six years governor and

lieutenant-governor of Massachusetts prior to that time. It must have great weight with all who know that distinguished gentle-

BOSTON, December 27, 1895.

DEAR MORSE: I am sorry somebody did not stand by BOUTELLE in resisting such sheep-flocking obedience to the crack of the President's whip. Of course, it is easier to think after the opportunity is gone, but if the President could take two weeks' duck shooting while considering the Venezuela business, certainly Congress might have taken twenty-four hours. I take it you would like to know the sentiment of the people here. I have not met a human being who has expressed sympathy with the President's intimation of war. The Monroe doctrine no more applies to the location of the board fence between Venezuela and Great Britain than it does to your division lines in Canton. Mass. When the President's suggests that possibly Venezuela and Great Britain may settle the whole thing between themselves, and thus address that they may do so without our participation in the settlement, be gives away the whole case, for if a voluntary settlement between the parties can be made without us, then it is a matter in which we have no concern, and if we have no concern in it, then what husiness have we to interfere at all, for instance, to insist on arbitration? The Republicans in Congress, it seems to me, have thrown away the best chance that could have come to them to show up the blundering of the Administration.

JOHN D. LONG.

And now comes the joyous tidings from across the ocean, that the Queen of England, Scotland, Ireland, and Wales, and the Empress of India, Queen Victoria herself, has frowned upon the attitude of her ministers, and has expressed her desire that this and other disputes shall be settled with her kinsfolk on this side the sea by arbitration instead of by cruel bloodshed and war; and the same attitude is taken by leading publications of the United Kingdom.

The Coin Redemption Fund.

REMARKS

OF

HON. GEORGE W. PRINCE. OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES.

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. PRINCE said:

Mr. SPEAKER: As a Republican I am opposed to this pending bill. I do not believe that it is in accordance with the views of

Mr. Speaker: As a Republican I am opposed to this pending bill. I do not believe that it is in accordance with the views of the people who sent me here.

It is an indorsement of the President's policy of selling bonds, and it increases the interest-bearing indebtedness of a people now overburdened by debt.

It is in effect only saying, "Mr. President, we favor your policy of debt making, but would suggest that you try and make a little better bargain on the question of interest."

But aside from our fully indorsing Democratic maladministration, which for over two years we have every one of us been condemning on every stump and which every one of our newspapers has also condemned, there are other and higher reasons why I am opposed to this measure.

It retires the greenbacks, and absolutely and unqualifiedly thereby contracts our currency and makes the power of a dollar greater and the value of human toil lower. We were sent here as Republicans (not Cleveland approvers) to inaugurate measures on Republican lines, to raise revenue with which to meet the current expenses of our Government, to pension liberally our soldiers, their widows and orphans, to build public buildings, make internal improvements, and to pay off (not add to) the public debt. This is our mission, and on December 26 this House passed a law which the Committee on Ways and Means said would meet these requirements.

Our revenue bill has gone to the Senate and we have done our duty for the present as best we could under the rules of the House, which forced us to vote for a revenue bill not in accordance with our views, but which the exigencies of the case required.

Mr. Speaker, we went far, very far, on December 26 to approve

which forced us to vote for a revenue bill not in accordance with our views, but which the exigencies of the case required.

Mr. Speaker, we went far, very far, on December 26 to approve of Democratic tariff legislation, and we did so at the behest of the party leaders of this House. Are we now to be compelled to fully approve of all the acts of a Democratic President?

While I am loath to go against the wishes of the Ways and Means Committee, I must do so, because I believe the interests of the people are higher and more sacred than mere alleged party expediency.

Therefore, Mr. Speaker, when my name is called I shall vote against the bill.

The Coin Redemption Fund.

REMARKS

HON. GEORGE W. WILSON.

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. WILSON of Ohio said:

Mr. WILSON of Ohio said:
Mr. SPEAKER: As much as I should like to vote with the Committee on Ways and Means upon this bill, I am nevertheless disposed to vote against it. Although gentlemen urge upon us a necessity for its passage, I am unable to see any necessity therefor. The existing law authorizes the Secretary of the Treasury to issue bonds to replenish the gold reserve whenever the amount is less than \$100,000,000. It is true that the bonds bear a higher rate of interest than 3 per cent payable samiannually as provided in this interest than 3 per cent, payable semiannually, as provided in this

The law allows the Secretary to issue bonds bearing 5 per cent The law allows the Secretary to issue bonds bearing 5 per cent interest and payable after ten years, and bonds bearing 4 per cent interest, payable after thirty years. There have been sold already under the existing law bonds of the face value of about \$162,000,000, upon which there were premiums amounting to \$20,000,000, the total aggregating \$182,000,000. If all of these bonds had been sold in the open market it is very generally believed the premiums would have been much larger.

It is not very material what the rate of interest in the bond is, because whoever has the capital to invest in bonds will calculate the lowest rate of interest at which he is willing to invest his money and pay as much more than the face of the bonds as the specified rate of interest exceeds what he is willing to receive for the use of his money. If a capitalist is willing to loan his money at 3 per cent, then he would, under existing law, compute the difference between a 4 or 5 per cent, bond and a 3 per cent, between ference between a 4 or 5 per cent bond and a 3 per ference between a 4 or 5 per cent bond and a 3 per cent bond, and the difference would represent the premium which he would pay for the bonds bearing the higher rate of interest. The result is that while the rate specified in the bond is higher, the bonds are actually sold at as low a rate of interest as purchasers are willing to take for their investments.

We are now informed by the Secretary of the Treasury that such bonds as are provided for in this bill can not be sold at all. He desires that the bill should provide for payment of principal and interest in gold, in order that he may the better dispose of them. The Secretary also wants to retire the United States Treasury notes (commonly called greenbacks) from circulation.

Treasury notes (commonly called greenbacks) from circulation, because they are a constant menace to the gold reserve.

GREENBACK.

I am unwilling to give my vote for either gold bonds or the retirement of the Treasury notes. We have no more currency than our business demands. If the greenbacks are taken out of circulation without other paper currency being substituted we shall have a large contraction of the currency, and I believe the result would be damaging and disastrous to the business of the country. The present paper currency is popular with all classes, and to retire it by substituting interest-bearing bonds would not be well received by the people. be well received by the people.

THE GOLD RESERVE.

There is much complaint about the greenbacks being used to draw money from the gold reserve. But what use is the gold reserve if not to give the greenbacks a credit which they would not otherwise have? It may be urged that the gold reserve would be exhausted if bonds are not constantly sold to replenish the reserve. exhausted if bonds are not constantly sold to replenish the reserve. There is some ground for this claim under existing affairs. But if the revenues were daily or monthly as large as the expenditures of the Government, this condition might not and probably would not exist. I think that the first duty of Congress is to raise more revenue and make less expenses, and thereby do away with the necessity of borrowing money by the sale of bonds. Whenever we export more than we import the balance of trade will be in our favor, and gold will begin to come our way instead of going from us to pay the balance against us.

EFFECT OF BOND SALES.

The sale of bonds to procure money to redeem greenbacks turns them into the United States Treasury, where they remain until the exigencies of the Government require their reissue. If the revenues are, as Democrats here assert, sufficient to meet the current demands of the Treasury, then the greenbacks will be retained in the Treasury and withdrawn from circulation. This result should be avoided, at least until some other currency is provided to take the place of greenbacks. There are only two ways

to avoid it that I can think of-one is to have such a revival of business on this side of the Atlantic as will stop the raids upon the gold reserve, or pay the holders of greenbacks upon presentation in such coin as the law authorizes and the Treasury possesses at the time of presentation.

The Republican party, have everywhere denounced the present Democratic Administration for the sale of bonds in time of peace. We have urged that there ought to have been no necessity for it. We have urged that there ought to have been no necessity for it, and that bonds should not be issued in time of peace. By the passage of this bill it is clearly implied that we intend that additional bonds shall be issued to replenish the diminished gold reserve and to redeem United States Treasury notes.

Why should the Republicans assist the Administration to do the very thing which we have opposed and condemned with so much vehemence? With the same authority, under the same laws, the Secretary can sell other bonds if he chooses, and I am unwilling to provide other means.

REPUBLICAN POLICY.

REPUBLICAN POLICY. While it is true that there is much cause of complaint and dissatisfaction with Mr. Cleveland's Administration, I do not regard it as wise for the Republicans to surrender their convictions of duty for the sake of temporary relief. If it is a fact that there have been great shrinkages in railroad bonds and other holdings, it is to be much regretted. But at the same time I do not consider it is to be much regretted. But at the same time I do not consider it the duty of Congress to attempt to take care of speculators in stocks or grain. Those who deserve our care and protection are they who toil and spin, and those who deal honestly and contribute to the welfare of mankind.

If we shall adhere to our landmarks and steadily advance on the lines of protection—good money and enough of it, maintenance of sufficient revenues to meet the demands of the Government withsufficient revenues to meet the demands of the Government without issuing bonds to raise money in time of peace, the liberal payment of pensions to deserving Union soldiers and their widows and orphans, the maintenance of our national honor at home and abroad, and a determination to resist unjust encroachments of foreign countries upon the soil of the Western Hemisphere—I have no doubt of the approval of our constituents and of the perpetuation of Republican ideas and the preservation of the American Republic so long as time shall last. [Applause.]

The Coin Redemption Fund.

REMARKS

OF

HON. ROBERT W. TAYLER,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, any to authorize the issue of certificates of indebtedness to meet temporard deficiencies of revenue.

Mr. TAYLER said:

Mr. SPEAKER: The members on this side of the House who oppose the pending measure for the issue of bonds seem to misapprehend the question and their responsibility in connection with it. Their fear that the Republican party will suffer is ungrounded. The record of that party against the issue of bonds in time of peace is too well known to be misapprehended now. Never, except in time of war or for resumption purposes, has the Republican party authorized the issue of bonds for any other than refunding purposes. But to all practical intents and purposes this is a time of war. This great nation is going about with a sword in one hand and a contribution box in the other. For this the Republican party is not responsible. It is one of the fruits of Democratic incompetency, and it is our duty as Republicans to make the best of a situation which exists, but for which we are not responsible. The constituency which I represent is a patriotic constituency. It will go as far as I possibly can go to uphold the credit of the country, even though that credit has been impaired by Democratic folly, and though it be a Democratic Administration which calls for assistance.

If the tariff measure which was passed last Thursday becomes

If the tariff measure which was passed last Thursday becomes a law, and the estimated revenue from it is realized, I think there will be little need for the issue of bonds under the pending measure. But, none the less, the present emergency points out the way where duty leads, and that way I propose to follow.

No one pretends that either the tariff bill or this measure is drawn on Republican lines. Neither of them is intended to meet a Republican situation. Neither of them is to be presented to a Republican President for signature. They are both emergency measures, and whether history approves or disapproves them, the measures, and whether history approves or disapproves them, the patriotism of a Republican Congress in passing them will stand out as a shining example of what a great party can do when the sense of a high public duty is upon it.

The Coin Redemption Fund.

REMARKS

HON. STEPHEN R. HARRIS,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. HARRIS said:

SPEAKER: I can not conscientiously support this bill

The Thirteenth Ohio Congressional district in 1892 sent a Democratic member to this House by a plurality of over 7,000.

The voters of my district were injured and dissatisfied by the

and prosperous method of filling the Treasury with revenues arising under the former tariff law; they were further dissatisfied because under the Democratic Administration the expenditures of the Government were largely exceeding its receipts, and especially were they dissatisfied that the President was selling bonds by millions to defray the running expenses of the Govern-

The people of my district were so dissatisfied and indignant that, discarding their former political affiliations, they sent me here as their agent to use my influence for the restoration of the tariff law of 1890, which would fill the Treasury to overflowing

tariff law of 1890, which would fill the Treasury to overflowing once more, as it had done the few years it was in force, and to stop the reckless issue and sale of bonds.

Now, Mr. Speaker, I can not conscientiously support a measure that empowers the President to do the very thing for which he was condemned in my own district. It is said the proposed bonds have shorter time to run and bear a lower rate of interest. That does not change the principle, besides it is not certain that the President would sell the bonds now proposed if they were issued. If he prefers to sell bonds, sua sponte, as he did before, the fact that his favorite bonds have longer time to run and bear a larger rate of interest will command a larger premium, and the same equivalent in money will be realized by their sale.

Be that as it may, Mr. Speaker, I can not consistently vote to authorize and empower the President to do what one year ago my constituents so emphatically condemned.

constituents so emphatically condemned.

Bonds.

REMARKS

HON. O. M. KEM,

OF NEBRASKA.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, December 28, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. Spraker: In availing myself of the opportunity given members to print their views relative to the above subject in the Record, I desire to say that I do it only because I was denied the privilege of being heard on the floor.

It is indeed humiliating to me to be compelled to resort to the silent medium of the pen to express my views respecting a matter of so great importance as the above bill.

It was my earnest desire to be heard on the floor of the House and I endeavored to secure time for that purpose, but failed utterly, as did every other Populist member. Before entering upon a discussion of the merits or demerits of the above iniquitous proposition I desire to call attention to the true position of the Populist members in the House, by relating some of the difficulties confronting us. The public generally believes that the lower House of Congress is the representative body of the people, the arena where the representative of every political faith may be

heard, and the wrongs of the great common people righted.

These were my views also when I entered this body four years ago, but after an experience of five sessions I am compelled to revise and amend those views to some extent. Candor compels me to eay, especially after the experience of the last three days, that it is neither a representative body nor an arena where the rights of

the great common people can be defended, especially if their de-

the great common people can be defended, especially if their defenders are in the minority.

Under a mighty majority, like that which controls it now, it becomes rather an arbitrary machine for smothering free speech and representing a part of the people only.

I have advocated abolishing the Senate as a useless, nonrepresentative Government appendage that would be better clipped off; but I am led to believe, in the light of experience and observation, that the Senate more nearly represents all of the people than the House, for they will at least give you a hearing before they make you walk the plank.

It is a body where the Senators from each State and of all parties and beliefs may be heard and every citizen's rights defended.

Not so in the House. After four years' experience as a Populist in this body I am compelled to say that at no time during that period has a Populist been recognized to control any time in his own right. Republicans are always recognized in their own right, but Populists never. We have never secured any time in the past, as meager as it has been, except as we humiliated ourselves by going and begging it of one or the other of our political enemies, who were sometimes kind enough to grant us a little time in which to oppose them. Their answer to our protest is that there are but two sides to a question, therefore the time must be controlled by the affirmative and the negative.

Not so: there are frequently many sides to a legislative question, therefore the time must be controlled by the affirmative and the negative. and the negative.

Not so; there are frequently many sides to a legislative question, and the Populists frequently oppose or support a measure on entirely different grounds from either of their political opponents.

The Populist party is peculiar to itself, possessed of individuality and characteristics as marked and strong as either of the old parties, and differing radically with both in its views on national questions. Therefore we hold that of right we are entitled to control a proportionate part of the time given to all questions

on which we desire to be heard.

On yesterday a bill was reported to the House from the Committee on Ways and Means that strikes at one of the vital principles of the Populist party, a question in which the Populists of the entire country are deeply interested; yet they had no voice in its consideration, and these 1,300,000 voters, representing more than 6,000,000 citizens, were unheard.

I asked the Speaker for a little time that I might represent them I asked the Speaker for a little time that I might represent them in the discussion to the best of my ability. He magnanimously promised me ten minutes, but the afternoon wore away without recognition; a recess was taken till 7 o'clock p. m.; three hours of night discussion dragged by and no recognition. This morning I went to him and asked if I was down for a speech. He said no. I called his attention to the fact that he had promised me ten minutes the day before. He said he did not know why I had not been recognized. I then insisted on being recognized this morning. He replied that he would try and do so, but the time was so short he did not think he could do it. It is useless to say I was not recognized. I was not recognized

It does not avail for the majority controlling the House to plead short time, for when they fixed the time of discussion at about nine hours they were absolute masters of all the time there was, and could have set apart one week just as well as nine hours, and could have set apart one week just as well as nine hours, and given all sides an opportunity to be heard, instead of rushing it through under whip and spur as if it was a case of life or death, when in fact it was only a case of the Republicans endeavoring to carry out their do-nothing policy as announced by the Speaker when he assumed his duties as presiding officer.

There is a determination upon the part of the Republicans of the House to prevent all discussion of the money question if possible, and as announced by Chairman Dingley, of the Committee on Ways and Means, that question is shelved for this Congress.

The honorable Mr. Skinner of North Carolina had a similar experience with the Speaker to that of my own just recited, and it has been the experience of every Populist on the floor, to a greater or less degree.

it has been the experience of every Populist on the floor, to a greater or less degree.

It is time the Populists of this country were made aware of the fact that, as a great organization, holding views of vital importance to all the people, they have no rights on this floor in the discussion of the same which the powers that be are bound to respect. I desire that Populists throughout the land, who have been wondering, and are still wondering why the little Populist contingent here have not and do not inaugurate some measures of reform, should know that we not only do not have the power to inaugurate any measure, but we do not even have the power to be heard on measures others inaugurate, except by the grace of some individual member; and it is well to understand once for all that no Populist measures of relief can possibly become law till the people cease to be governed by their prejudices, and elect a Populist Congress, together with a Populist Executive. Then you can have relief, and not till then.

As a further and more elaborate exposition of the manner of

As a further and more elaborate exposition of the manner of doing business in the House of Representatives, I here insert the remarks of Hon. John C. Bell, of Colorado, relative thereto, made

in a ten-minute speech on the floor, by the courtesy of ex-Speaker CRISP, December 26, 1895, as follows:

in a ten-minute speech on the floor, by the courtesy of ex-Speaker CRIEF, December 26, 1895, as follows:

Because of the fact that the rules of the House only allowed a fraction of a minute for each member to express himself on this all-important question, if each one could have obtained the floor, and I being swarded only ten minutes for the whole Populist party, and received this through the kindness of Judge Chars. I feel inclined to take advantage of the leave to print and give some reasons why an individual Representative can do so little for his constituents as against the great minority.

The rules of the House by many guage give the Committee on Bules and the Chairmen of the House of committees practical control of the measures in the House and on the time for debate. This autocratic rule is fully exposed upon a casual control of the measures in the House and on the state of Lowa have more power in directing the business of the House of the American Congress than practically all of the other States in the Union. This is an offspring of the rule that members must be advanced according to their seniority on the committees, and the people of these favored States have seen fit to return theirs for a great many years. Under this unrepresentative rule the little State of Maine, with less than 700,000 inhabitants, has Mr. Divolley, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Mr. MILLIKER, chairman of the Committee on Naval Affairs; Lates prom Colorado to California, inclusive, and yet California has nearly twice the population and about four times the area and wealth.

The population of Iowa is about 2,000,000, and she has eleven Representatives. The rore are seven good places to the credit of the States, and so it HEDBERSON,

that the Speaker approved of, no deduction would have the test.

I mention this simply to show the complete dependency of individual members on the will of the Speaker and the committees.

All of the committee men in the House first have the right to the floor, and those holding different chairmanships also rank high with the important committees of which they are not chairmen and get the additional right to the floor, so the individual who is not on an important committee must, by the courtesy of someone else, beg the opportunity to address the House, and can get recognition in no other way. New members or members of a new party are practically estracised in the House and have no power under the rules to promulgate any of their principles.

Thus it will be seen by the foregoing that the 6,000,000 people

Thus it will be seen by the foregoing that the 6,000,000 people of this country who believe as we do respecting principles of government are denied the right of free speech by rules and practices more fitting for a monarchy than a republic.

Now, as to the merits of this bill. In the discussion of the last

Now, as to the merits of this bill. In the discussion of the last three days, both on the bond bill and on the bill changing the revenue laws of the land, the Republicans tried to lay the entire responsibility for the distressed condition of the people and Government upon the Democratic party, and the Democrats, with equalized, tried to shiftitall onto the Republicans. One said, "You did it." The other replied, "It isn't so; you did it." Democrats said it was the result of the McKinley tariff. The Republicans replied, "It is the result of the Wilson bill." Thus the sham battle on the tariff goes on. on the tariff goes on.

on the tariff goes on.

Gentlemen, you are both right and both wrong. You are both wrong when you say the tariff law of either sort had anything to do with bringing about the present miserable condition of affairs. You are both right when you say the other is responsible, for you are both equally guilty and equally responsible.

No relief will come to the people of this country until the Republican party is placed by the side of the Democratic party, viz, in a hopeless minority, and the reins of government placed in the hands of the people themselves through their only medium, the Populist party, for both of the dominant parties are owned and controlled soul and body by the gold-gambling money power of Europe and America, as every legislative step they have taken for years confirms.

for years confirms.

The effort to throw the responsibility of the present terrible condition of the country upon tariff legislation of any sort will not succeed if we will only look at the facts for a moment.

Under long years of Republican rule we had high tariffs that steadily kept climbing higher and higher till they culminated under the McKinley bill in the highest tariffs the world ever saw; yet all these years the general sea level of prices kept steadily falling and falling till it culminated under the McKinley bill in the greatest distress a civilized government ever experienced. Then the Derrocrats said to the people, "Behold the work of the McKinley bill! Give us the reins of government that we may show you how quickly we will restore prosperity to your impoverished homes by proper tariff laws."

The people took them at their word and in 1802 the Beauty

The people took them at their word and in 1893 the Republicans

The people took them at their word and in 1893 the Republicans went out of power, scraping the bottom of the Treasury to get money enough to pay current expenses and with the plates prepared for an issue of interest-bearing bonds.

The Democrats took full control of all branches of the Government, with Mr. Cleveland in the chair. They continued to talk tariff reduction and followed the Republican financial policy to the letter. The only result that such a policy can lead to was reached soon after Mr. Cleveland's inauguration. The crisis to the verge of which the Republican party and policy had led hurst upon us in all soon after Mr. Cleveland's inauguration. The crisis to the verge of which the Republican party and policy had led burst upon us in all of its fury—a condition in which gaunt hunger and misery stalked specter like through the land unbridled, from ocean to ocean, and from the Lakes to the Gulf. All this time the Democrats continued to talk reduction of tariffs and the President continued to issue bonds and pile up burdens for the poor. More than a year issue bonds and pile up burdens for the poor. More than a year ago tariffs were lowered and the McKinley bill knocked out, but the general sea level of prices steadily continues to decline, not-withstanding there is a general shortage of crops; the bond issues still go on, the debts of the people are piling up higher and higher, while their ability to pay is continually growing less and less, and the Democrats and Republicans continue to talk tariff.

The Republicans now say to the people: "Ah! what did we tell

you? We told you what would happen if you elected the Democrats; now you see what you have done." Sure enough, nothing like saying I told you so. The above cry looks plausible on the surface; many believe the Democrats wholly responsible, and the people seem to be rushing to the other extreme, and have returned the Republicans to power in the House with an overwhelming

majority.

True, the Democratic party is terribly, wickedly, to blame, and ought to be wiped off of the political map, but while they are thus guilty the, Republican party is equally guilty, and I insist that the present Administration must be held responsible for that of which it is guilty, and have nothing but condemnation for it; but I want to prevent, if possible, the Republican party, its copartner in this miserable business, from shifting its own sins onto the

shoulders of Democracy, which already has more than it can ever

Before the electors of this country again hand the Government back into the keeping of the Republicans I want them to become acquainted with a few facts that seemingly have escaped the notice of the mass

We see how we were brought to the verge of disaster with an empty Treasury under high tariff and Republican rule. We see how that disaster overtook us under change of party rule and lower tariffs; how it continues in constantly lowering prices and expanding indebtedness—private, municipal, and corporate—coupled with repeated issues of interest-bearing bonds; therefore we must see at once that the tariff is not responsible, for our condi-

tion continues to grow worse and worse under all sorts of tariffs.

With a sufficient amount of full legal-tender money in circulation under Government control to meet the business demands of the country, which will enable every man, woman, and child to secure employment at remunerative wages who desires it, we will have a happy, prosperous, patriotic, and loyal people with a Government free from debt under almost any sort of tariff laws; but without the above monetary system we can not as a people be prosperous under any sort of tariff laws, or, for that matter, under any or all of the many other reforms advocated, many of which I believe in, but I say we may have them all and leave our money system as it now is, and it is only a question of time when this Government will be bankrupt and the people impoverished, therefore we should subordinate everything else to financial reform, concentrate all of our energies upon that; when this is accomplished then we will be able to establish other reforms; but let us take first that upon which all others rest.

All history, all experience of the past, proves the truth of these statements, yet both Republicans and Democrats in the face of this truth, so plain that he who runs may read, are still quarreling over the tariff, and both perpetuating a finance system that is fast sapping the lifeblood of the nation. Nero fiddled while Rome burned, and the Democrats and Republicans are fiddling at crosspurposes on the tariff string, while the people are plundered and the Geography tabled. the Government robbed.

On Thursday last the Republicans introduced in the House a tariff bill changing the general revenue laws of the country, and with their overwhelming majority passed a gag rule limiting debate to three and one-half hours, at the close of which time the bill was passed under whip and spur, with no member but a favored few having been heard.

They seem to learn nothing by experience. None are so blind as those who will not see, and truth has no foe like prejudice. The title of this bill is (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency

This bill, in order to provide more revenue and meet a supposed deficiency, increases the present tariff taxes and reaches out strongly in the direction of the McKinley bill. In the light of past events this seems like an insult to reason and an outrage on common sense.

Let us throw the search light of truth for a moment upon some

Let us throw the search light of truth for a moment upon some facts of very recent history and then see where these gentlemen stand with their proposition to increase revenues by climbing back toward the high tariffs of the McKinley bill.

When the control of this Government passed into the hands of the Republicans under Mr. Harrison there was a surplus in the Treasury over and above the gold reserve of \$230,348,916.13. The Republican machine started; the McKinley bill became the law; the surplus began to dwindle and continued to dwindle till the close of the Administration, on the 4th of March, 1893. At that time the \$230,348,916.13 had disappeared. Mr. Foster, Secretary of the Treasury, figuratively speaking, was hanging on by the eyebrows and scraping the bottom of the Treasury to get money enough to meet current expenses, and was even driven to the verge of issuing bonds, as Mr. Cleveland has since done, and as Mr. Harrison would have been compelled to do, under the highest tariffs

or issuing bonds, as Mr. Cieveland has since done, and as Mr. Harrison would have been compelled to do, under the highest tariffs the world ever saw, if he had been reelected.

While it was well known at the time by a few that in the last days of the Administration Secretary of the Treasury Foster had given orders for the preparation of designs for a new issue of bonds, and was so stated by myself in the last campaign, it was denied by some Republicans in my State and disbelieved by many. In order to remove all possibility of dispute in the future, I here insert the above-mentioned official order, as given by Mr. Dockery of Missouri in a recent speech on the floor of the House, as follows:

Now, in answer to the challenge of the gentleman from Ohio, I have obtained by special messenger from the Secretary of the Treasury the official order of Secretary Foster, under date of February 20, 1893, in these

words:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., February 20, 1893.

BIR: You are hereby authorized and directed to prepare designs for the
3 por cent bonds provided in a Senate amendment to the sundry civil bill
now pending. The denominations which should first receive attention are
\$100 and \$1,000 of the coupon bonds and \$100, \$1,000, and \$10,000 of the registered bonds.

This authority is given in advance of the enactment, in view of pressing
contingencies, and you are directed to hasten the preparation of the designs
and plates in every possible manner.

I inclose a memorandum for your guidance in preparing the script for the
body of the bond.

CHARLES FOSTER, Secretary.

The CHERLES THE BUREAU OF EXCHANUS AND PRINTING.

The CHIEF OF THE BUREAU OF ENGRAVING AND PRINTING.

The CHIEF OF THE BUREAU OF ENGRAVING AND PRINTING.

Not only this, Mr. Speaker, but on page 70 of the Special Report No. 2621, made to the House of Representatives by Mr. Springer, then chairman of the Ways and Means Committee, is this statement by Secretary Foster, of date February 28, 1803, in answer to questions by the gentleman from Georgia, Mr. Turner. It discloses an unsatisfactory Treasury situation:

"Mr. Turner. Taking into consideration all these conditions which you anticipate, what in your judgment would be a fair conjecture of the condition of the Treasury at the end of the next fiscal year would show a deficit.

"Mr. Turner. Can you give an approximate estimate according to all the data accessible to you?

"Secretary Foster. I will only say this, that if I was to have the management of the Treasury I should insist upon an increase of revenue to the extent of 250,000,000.

"Mr. Turner. In order to meet those conditions which you anticipate?

"Secretary Foster. Not only those conditions, but the gold conditions as well."

This ought to remove all doubt of the proposed issue of bonds under the last Republican Administration, also as to the empty condition of the Treasury, and convince every man who is not a bigot that the McKinley bill as a reve use raiser was a miserable figure; also that the Republicans, in their zeal to protect the great trusts and combines called manufacturers and assure them by arbitrary law a profit on their business, they killed the goose that laid the golden egg by placing a tariff so high upon imported goods they could not enter our ports and compete with prevailing prices. Thus this source of revenue, which is our greatest, was ground not enter our ports and compete with prevaming prices. Thus this source of revenue, which is our greatest, was greatly curtailed and a deficiency resulted. A prohibitory tariff is wrong at any time; but when coupled, as this was, with a shrinking volume of currency it becomes a crime against the rights and liberties of man.

This combination of high tariff and shrinking money creates a machine of destruction that cuts both ways:

First. High tariff tends to keep up prices of finished goods to

Second. Shrinking volume of money lowers prices of raw material to producer of finished goods. Thus as the combined and concentrated wisdom of the Republican and Democratic sages we

have a system of Government that raises the price of everything the great majority of the people buy, and lowers the price of every-thing the great majority have to sell. Is it any wonder revenues fall off and we are now issuing interest-bearing bonds after thirty

years of profound peace with all the world?

I desire to say that just here lies the kernel of this whole matter. The people have become so impoverished through currency contraction they are compelled to economize to the greatest extreme, hence can not buy the articles upon which revenue is collected; the citizen is compelled to do without that which he greatly needs, and the Government is compelled to add to his burdens an interest debt under a miserable policy of robbing Peter to year.

and the Government is compelled to add to his burdens an in-terest debt, under a miserable policy of robbing Peter to pay Paul.

As an example of the effect the contraction of our currency by the demonetization of silver is having upon our manufacturers and its relation to home markets and foreign trade, I submit an article I sent to the Silver Knight touching this matter; and when it is known that it was published days before the bond action in the House, it will be seen that it is very pertinent along different lines.

DIFFERENCE OF EXCHANGE—WHAT EFFECT HAS IT ON AGRICULTURE BE-TWEEN GOLD-STANDARD AND SILVER-STANDARD COUNTRIES? Editor Silver Knight:

DIFFERENCE OF EXCHANGE—WHAT EFFECT HAS IT ON AGRICULTURE BETWEEN GOLD-STANDARD AND SILVER-STANDARD COUNTRIES!

Editor Silver Knight:

The following resolution, as clipped from the Knight of recent issue, together with your very able remarks thereon, remind me of two or three very pertinent facts, to which, with your permission, I desire to call the attention of the Knight readers.

Senator Stewart on the 13th instant introduced the following resolution: "Resolved, That the Committee on Finance be directed to inquire what effect the difference of exchange between gold-standard countries and silverstandard countries has upon the agricultural and manufacturing industries of the United States, and report by bill or otherwise."

He asked that the resolution might lay over until Monday, the 16th instant, at which time he addressed the Senate upon the above resolution.

The above resolution refers to a very grave problem, which has been fiashed upon us like a gleam of lightning from a clear sky. It is a phase of the money question which strikes directly at the purse of the manufacturers in a way they can not dodge. The law which destroyed one-half of the money of this country is proving a double back acting machine, which is cutting both ways. This contraction has had the effect of steadily reducing the price of all farm products till they will scarcely pay cost of production. One result of this is it compels the producer, first, to buy nothing except that which he is absolutely compelled to have; second, this must be purchased at the lowest possible grure, regardless of where or how it is made. It has become a question of self-preservation, and an appeal to patriotic protection to home industries will have no effect, because it will be overshadowed by the more pressing and vital question of how to procure the necessaries of life for the least money possible. When the farmer sells his wheat for 30 cents per bushel, and other things in proportion, he is compelled to buy his manufactured goods from Japan or Chinai those

The above feature of the situation may be our salvation, by ar raying the manufacturers on the side of more money. They will get there quick when it touches their pockets. It is having its effect—they are already beginning to face about.

The root of the evil does not start in tariff laws, but in bad

financial laws and policies, for which both parties are responsible.

The Republicans are responsible for all of the bad financial laws placed upon the statute books for the last thirty years.

The Democrats are responsible for maintaining these laws and

allowing their administration to continue and put into effect the miserable Republican policy of paying coin obligations in gold alone, in direct violation of the spirit and intent of the act under which it is done.

Mr. Payne of New York, in his speech on the above bond bill, arraigned the President for past and coming bond sales—as all Republicans have arraigned him, either privately or publicly—and used the following language (Record, December 28, page 388):

The President and the Secretary of the Treasury, according to the same report, are now engaged in negotiating a loan with a syndicate representing foreign capitalists to add \$100,000,000 to the bonded indebtedness of this country. The only authority of law with which they are invested now to make this loan is contained in the act of 1875, under which they can issue no bonds at a lower rate of interest than 4 per cent, and these 4 per cent bonds to run for thirty years.

What right has Mr. PAYNE, a life-long Republican, to criticise the President for issuing these bonds? Does not Mr. PAYNE know

that the law of 1875 is a Republican law, and that Mr. Cleveland is simply carrying out this law as interpreted by the Republicans—while Sherman was Secretary of the Treasury—to the effect that it was the policy of this Government to redeem all of its coin obligations in gold alone? These are facts so plain that every man with intelligence enough to vote knows them to be true, yet Mr. PAYNE and his colleagues on the floor and throughout the country are bellowing like the bulls of Bashan about the President issuing bonds. If he is doing it by law, it is the Republican law which is

at fault.

If Mr. PAYNE and his associates are statesmen instead of politi-If Mr. PAYNE and his associates are statesmen instead of politicians they ought to condemn the law, bring in a bill repealing the same, and make it impossible for the President to issue bonds of any sort without a special act of Congress. If they will do this, I assure him they will have the hearty support of every Populist on the floor and the patriotic plaudits of every Populist in the country. If Mr. Cleveland is doing this without law, then let Mr. PAYNE's party institute impeachment proceedings, and he will have our hearty support in this, also. Nay, nay; the blame rests with the terribly faulty, unjust, cruel, and wicked Republican law which allows one man to issue interest-bearing bonds at any time, in unlimited quantities, and play into the hands of the gold time, in unlimited quantities, and play into the hands of the gold gambler and monopolist. The remedy lies in the amendment of the law of 1875, and so long as the Republicans make no effort to amend it they are equally guilty with the present Administration in committing and perpetuating one of the greatest crimes of the nineteenth century

The sort of jingo legislation the party has been engaged in for the last two or three days will not avail, for sooner or later the the last two or three days will not avail, for sooner or later the people will understand the true situation, and when they do the G. O. P. with the D. M. O. C. will be relegated to where the whangdoodle mourns. The pendulum (public opinion) will cease to swing from one extreme to the other. The Government will be placed in the hands of the Populist party, and a reign of prosperity for all the people will begin.

The Republican party not only committed a great wrong in framing and passing a law so weak as to be susceptible of interpretation to the effect that all coin obligations are redeemable in gold alone, but they are perpetuating that wrong deliberately, as is shown by the following language of Mr. Payne, used in the same speech above referred to:

same speech above referred to:

Mr. PAYNE. We propose to see that every legal-tender note issued by the Government of the United States shall be redeemed in gold whenever it is presented to the United States to redeem. [Applause on the Republican side.] And after we get through with that we will take up the other questions as they come along.

By what authority does Mr. PAYNE and his associates propose to see that every legal-tender note shall be redeemed in gold alone? The only authority they have for this declaration is the law declaring them redeemable in coin, passed at a time when no one thought of coin in any other sense than both gold and silver, and when, under the law, it took both gold and silver to constitute the

coin of this country.

Since the earliest history of man no government or people has looked upon coin in any other sense than that it meant gold, sill the sense than the sense that the sense than the sense that the sense than the sense that the s ver, copper, and all of the coins of the realm of whatsoever metal they were made, but it remained for the astute Sheeman alone to discover that coin means gold only and declare it to be the policy of this Government to redeem all of its obligations in gold alone.

He did this in defiance of the intent and spirit of the law and usurped the prerogative of the Congress when he did it, and this is the authority upon which Mr. PAYNE makes his declaration. Does anyone suppose for a moment that the people of this country, or even a majority of those voting for the bill, thought for an instant that the word "coin" would be tortured into meaning gold only, and that the time would come when the right to pay these only, and that the time would come when the right to pay these coin obligations in any coin of the realm most convenient would be denied? No; not one. Does anyone suppose for a moment that if that bill had said in plain terms, "redeemable in gold alone"—as it ought to have said if that is what it meant—that it could have passed or would have been sustained by the people? No, it could not possibly have passed at that time, and if it could the people would have destroyed the party guilty of its passage.

The manipulators of the bill were too shrewd to make any breaks like that, they accomplished coverily what they could not accomplished the could not accomplished coverily what they could not accomplished the could not provide the party guilty of its passage.

like that; they accomplished covertly what they could not accomplish openly by framing a bill which was susceptible of the interpretation placed upon it by Mr. Sherman and acquiesced in by Mr. Cleveland.

It looks very much like this had been done in the same manner in which silver was demonetized in 1873, viz, in a manner in which the people would not realize just what had been done until years

The fact that the Republicans of to-day are standing by this law and defending the interpretation thereof by Mr. Sherman is evidence to my mind that they intended it should read one way and operate in an entirely different manner.

In the light of the financial history of the past, the present bond

bill has some very ugly features about it, to which I shall call

One object of the bill as disclosed by its title is to meet temporary deficiencies of revenue. Now, the last report of the Secretary of the Treasury shows there is no deficiency, but, on the contrary, there is a surplus of \$70,000,000 of borrowed money secured by the last bond sale. Then, why this unseemly haste of Republicans to increase this surplus by other bond sales? There is but one explanation, and that is to pile up a surplus large enough so the greenbacks can be held in reserve and thus as effectually take them out of circulation as though they were burned. The Secretary is not compelled to pay these notes out now under the present law if he has other money with which to meet current expenses; hence the desire to pile up this great surplus of borrowed money upon which the bondholder draws interest, while the greenbacks, which draw no interest are held out of circulation. no interest, are held out of circulation.

These notes are in the way of the money mongers, and their object is to get them out of the way in some manner. They have been a hindrance and a menace to the coupon clipper for years, and they are resorting now to the same sort of tactics they have followed all along the line, viz, working under cover. Let us see. The 5-20 bonds were made payable in legal tenders in 1869. By the infamous credit-strengthening act the terms of payment were changed to coin payments. No one supposed this meant gold pay ments, but the Republican party afterwards so declared. In 1873 a bill passed the House and Senate, under the title of a bill to regulate the mints, and was signed by President Grant. Years after late the mints, and was signed by President Grant. Years after it was too late the people learned for the first time that this bill had demonetized silver, and that we, as a Government were on a gold basis with the declared policy of the Government to pay all of its obligations in gold alone, and this was all accomplished without the knowledge of the people.

It would seem that this ought to satisfy the greed of monopoly

but not so; there is yet somewhere in existence about \$300,000,000 of greenbacks upon which Shylock can not draw interest. Therefore they must be gotten out of the way and something substituted upon which he can draw interest.

These notes are the most troublesome feature of the financial question the money power now has to deal with. They have been racking their brains for some time trying to devise ways and means to retire them, but the people are too wide awake to permit them to be retired openly.

When the Committee on Ways and Means first drafted the present hill they work to detach.

ent bill they undertook to do this openly by providing for their redemption without reissue, but this raised such a storm about the ears of the committee upon the part of Western members that they were compelled to claim that the original bill was an oversight and to report one seemingly covering the defect of the first; but does it do this? We think not; and after careful consideration of the bill as it passed the House we are led to believe they are at their old tricks again; and for reasons already stated, if the bill becomes law, the Secretary can practically retire the green-backs and Sherman notes also. In support of this view I submit here the remarks of Hon. Mr. Turner of Georgia, which is a very clear statement of the facts as they may develop:

I now venture to suggest to my friends on the other side that either they have not been entirely candid or they themselves do not understand this measure. It is said that out of abundant caution a provise was added to the first section to prevent the retirement of the legal-tender notes. Gentlemen who are the friends of all these notes may find themselves unwittingly entrapped. There is in the first section of the bill a proviso to this effect:

"And the Treasury shall use the proceeds thereof"—
That is, of these bond sales—
"for the redemption of United States legal-tender notes, and for no other nurses."

purpose."
And to that is added this morning a proviso, which I will now read:
"Provided, That nothing in this act shall be construed to repeal or modify
the act approved May 31, 1878, entitled 'An act to forbid the further retirement of United States legal-tender notes.'"
Now, in the first place, Mr. Speaker, what is to become of the United States
legal-tender notes into which this gold reserve may glide by the process of

legal-tender notes into which this gold reserve may glide by the process of redemption?

My friend from Maine [Mr. Dingley] in the outset of his remarks, which I failed to hear distinctly, seemed to hold that by the operation of this bill the Treasury will have to open two accounts and segregate the proceeds of this redemption into a separate fund and a separate account. I deny it. There is nothing, absolutely nothing, in this bill which would have this effect. It would in no way change the Treasury policy in this respect. The proceeds of these bonds when they reach the Treasury in the form of gold or coin and are converted into legal-tender notes by redemptions will take their place side by side with such legal-tender notes as are already there for any lawful purposes to which the Treasury can devote them. This provision, therefore, is not even a suggestion to the Treasury, as the gentleman has said. "The proceeds thereof" are the gold procured on the bonds, and not the legal-tender notes that may be redeemed with the gold.

But I take a step further. The proviso just quoted, out of abundance of caution, to save the power to reissue legal-tender notes thus accumulated. takes care of that class of these notes which are specified in the act of May 31, 1878, commonly called United States notes, or greenbacks. Let me read it again:

"Provided. That nothing in this act shall be construed to repeal or modify

of, 1878, commonly canced United States holes, or greenbacks. Let the result again:
"Provided, That nothing in this act shall be construed to repeal or modify the act approved May 31, 1878, entitled 'An act to forbid the further retirement of United States legal-tender notes.'"
What, then, becomes of the Sherman notes under the act of 1890, the power to reissue which depends, not on the act of 1878, but on the provisions of the Sherman Act of 1890? There is no reference whatever to this latter act.

Hence this bill may be construed by the Secretary of the Treasury in accordance with strict law to authorize the retirement of the Sherman notes.

Mr. QUIGG. May I ask the gentleman whether, if the provise were not in the bill, it would not have the same effect on the United States notes as if the provise were there?

Mr. TURNER of Georgia. Now, my friend from New York asks me a pertinent question. I am not sure that the provise was necessary for the processed object. I think that the Treasury without this provise would have had to reissue all these notes received under the process of redemption under this bill, because both the act of 1878 and the Sherman Act of 1899 would then apply; but when Congress puts in a provise which saves the reissue of green-backs and says nothing about the others, the Secretary and the courts would probably enforce the maxim, "The expression of one is the exclusion of the other." Now, what are you gentlemen on the other side going to do with the explanation of my friend, the chairman of the Committee on Ways and Means [Mr. DINGLEY], who has endenvored so adroitly to avoid the factious differences in his party? The pretext of "abundant caution" in this provise seems to have been inspired by no caution at all. I endeavored to show yesterday that there was a fatal lapsus or omission in the bill then pending. I show to day that the gentlemen who are railroading this bill through are doing so regardless of the fatal effect it will have on the Sherman notes. Note, I am not in favor of the Sherman notes. I voted against the act authorising them. I believe that they contributed greatly to our present difficulties. I have shown you that I deeply regret the perpetuation of the greenback notes; but I am in favor of hething every member of this House and every man throughout the country know what is contained in this crude bill which none of us are permitted to touch.

The foregoing shows us one thing very clearly if no other; it shows us that it is a very dangerous measure by giving the Secretary power to place constructions upon the bill the people never intended the law to mean. These decisions of Treasury officials in the past have cost us millions and caused untold misery. That the bill, if it becomes the law, will result in further contraction of the currency there can be no doubt, thus making money still

the bill, if it becomes the law, will result in turner contractant, the currency there can be no doubt, thus making money still harder to get by every individual who must earn it.

This, too, in face of the fact that the volume of money in circulation among the people in the last year has been contracted to the extent of about \$77,700,000. Bradstreet's report, I think, of the date of the 14th instant, an authority which will not be disputed, makes the statement that a contraction of \$1.11 per capita has taken place in the last year. This means \$1.11 less for every man, woman, and child in the country. Based upon a population of 70,000,000 of people, it makes a grand total of about \$77,700,000 less money to meet the constantly growing necessity for currency to supply the increasing demands of a rapidly multiplying population than there was one year ago.

This work has been going on for years, a fact the Populists have earnestly endeavored to show the people, while the Republicans are vehemently denying it. At the same time they are fostering measures to further contract our medium of exchange, increase our indebtedness, and make them payable (under cover) in gold.

If the Republicans mean that all obligations shall be redeemed in gold, why were they not honest enough to bring in a bill here

If the Republicans mean that all obligations shall be redeemed in gold, why were they not honest enough to bring in a bill here providing for gold bonds instead of coin bonds? Why this subterfuge? Why this juggling with words? If coin means gold alone, why not say so outright? Oh, what perfidy! Still trying to fool the people by fighting Grover Cleveland, who has become unpopular because he, in an open and bold way, carried out the law you enacted even to your own interpretation thereof. The only difference between you and the Administration is, you have been doing and are still seeking to do in a covert manner what Mr. Cleveland has done open and aboveboard.

The above bill gives the President unlimited power to issue bonds at his own sweet will, and authorizes two kinds of bonds. One is a coin bond which, under the interpretation of its fathers, means gold. Worse than Shylock, they mean to take the pound of flesh, but were not honest enough to put it in the bond. These coin (gold) bonds are long-time bonds and are intended for the

means gold. Worse than Snylock, they mean to take the pound of flesh, but were not honest enough to put it in the bond. These coin (gold) bonds are long-time bonds and are intended for the English capitalist, who will not take them without his pound of flesh. The other bonds are short-time bonds and limited to fifty millions, and are made payable in the lawful money of the United States. These are intended for home consumption. Any sort of money is good enough for our own people, but the Britisher must have that which is worth more on the markets of the world, viz, gold bullion. The pertinent question now is. Why these bonds gold bullion. The pertinent question now is, Why these bonds at all? The issue of bonds of any sort or size at this time is wholly uncalled for, and the act, either with or without the sanction of Congress, is a blow to the best interests of the American people and an insult to their intelligence.

As one reason given for the passage of the above bill, I insert the following further quotation from the remarks of Mr. PAYNE:

Mr. PAYNE. I can not yield to a question now.

Some gentlemen think the bill introduced by Mr. Baker of New Hampshire, requiring certain importers to pay duties in gold, would cure the difficulty. But this bill is an idle and empty delusion. Suppose this bill were a law, and I owed the Government \$1,000 in duties. I provide myself with \$1,000 in greenbacks, as now, go to the subtreasury and demand gold for my greenbacks, and then pay the duties with the same gold. The Treasury would then have the same gold and also the \$1,000 in greenbacks, precisely as it would have under the present law. under the present law.

What he says of Mr. BAKER's proposition is true, but it is equally true of the bill he favors. Suppose this bill becomes the law and \$300,000,000 of bonds are sold and the money placed in the Treasury to redeem greenbacks. What is to prevent a syndicate from taking these Treasury notes as fast as they are paid out

in current expenses, presenting them at the Treasury at one time, or from time to time, as they may deem best, and depleting the Treasury of its gold, just as they have been doing? Nothing whatever; not only one time, but they can do it continually just as long as they can make money by the operation.

Just so long as this Government maintains the insane policy of sedeming these coin obligations in gold alone it has got to be seen to be

Just so long as this Government maintains the insane policy of redeeming these coin obligations in gold alone, it has got to keep up the equally insane policy of perpetually issuing bonds. President Cleveland insists on the retirement of the greenbacks as the only effectual way in which to protect the gold reserve, and I submit that if this fool's policy of hoarding a hundred million of gold in the Treasury to redeem outstanding Treasury notes is to be kept up the President is right, and the only sensible thing to do is to put them where they can not continually be presented to take gold out. But neither of these propositions is reasonable, honorable, or just. The only sensible thing to do is for Congress to pass a free-coinage bill, and another bill compelling the President to use his prerogative under the present law of paying out either use his prerogative under the present law of paying out either gold or silver, or both. This would stop all bond issues, keep the gold in the Treasury, do exact justice to all, and cost no one a

In order to justify the Republican party advocating an issue of bonds in time of peace, Mr. Payne, replying in part to Mr. Johnson of California, a Republican who had the courage of his convictions, and, in defiance of machine power and party lash, was honest enough and brave enough to stand in his place and de-nounce the iniquitous proposition of his own party, used the

following language:

My friend from California [Mr. Johnson] yesterday, in that speech of his which seemed to evoke so much applause and laughter from our enemy on the other side of the Chamber, says this bill is "un-Republican"; and why? Because he says he sayne he stumped his district a year ago last fall and said the Hepublican party were forever opposed to issuing bonds in time of peace. Did he forget, or did his people forget, that in 1875 the Republican party enacted this law to issue bonds in time of peace; that in 1878 the Republican Administration borrowed \$95,000,000, yes, \$100,000,000, to create this reserve fund in time of peace, and that we have preserved on the statute book all the time this law of 1875 for the express purpose of borrowing money to make good this gold reserve, whether it is needed in time of peace or in time of war?

Mr. PAYNE seems to forget that one uncalled-for and infamous

Mr. PAYNE seems to forget that one uncalled-for and infamous act of the Republican party does not justify another. The act of 1875 referred to is perhaps the most iniquitous act upon the statute books, because of the long train of evils following in its wake and its not being justified at the time.

I am very glad Mr. PAYNE referred to that act, for it condemns them out of their own mouths and verifies the claim we have made for years, that the Republican party is not a friend of the people, but is continually playing into the hands of the usurer and monopolist.

As further evidence of the perfidy of the Republican party, and that it is a unit with the Democratic Administration on finance, though hiding behind subterfuge and continually condemning Mr. that it is a unit with the Democratic Administration on finance, though hiding behind subterfuge and continually condemning Mr. Cleveland, I call attention to the vote on the seigniorage bill in the last Congress. This was a proposition to coin into silver dollars about \$55,000,000 of free silver bullion that was then, and is yet, lying idle in the Treasury, covered with dust and cobwebs, while we borrow money of foreigners to pay our debts. When the proposition came up in the House to coin this money and pay our debts the Administration, of course, was against it, but a majority of the Democratic members were for it, and without the help of the Republicans Mr. Cleveland would have been defeated by his own party, but, as is shown by the Record, the Republican party came promptly to his rescue and in almost an unbroken line voted against allowing the people to have any money except that for which they pay interest, not even allowing them to use that which they have bought and paid for.

When under the seigniorage bill they were demanding this money through their representatives the present Speaker of the House marshaled his clans on the floor, stood alongside of Mr. Cleveland, and said to the people (figuratively speaking like a parent to children who were wanting cake), "Oh, no, my children; you must not have it; it will hurt you; you must go borrow some money and buy some nice yellow corn bread"; and as the result of this sort of fatherly policy upon the part of the rulers of the nation there are thousands who would be glad to have even plenty of corn bread.

Lasy boldly and without fear of successful contradiction that

of corn bread

I say boldly and without fear of successful contradiction that the financial policy of this Government has been such that if pur-sued in the same manner by an individual in the conduct of his private business he would be examined by the board of physicians

for the insane.

for the insane.

Suppose, for instance, I owed a debt of \$1,000, and I had earned the money and laid it away to pay this debt with when it should fall due, if I, when that note came due, were to deliberately destroy it, or keep it locked up where it could not possibly benefit me or anyone; absolutely refuse to use it; but go and borrow money to pay the debt, my friends would conclude I had lost my reason and would have a guardian appointed over me, and perhaps send me to an insane asylum, and they would be entirely justified in so

doing, because such a policy upon my part could have but one result, that of bankruptcy and ruin.

This is precisely the sort of policy this Government is following to-day, and has followed for years, destroying its own money in the past, and refusing to use that which it now has, while it borrows millions to meet its obligations. In this case, as in the other the past, and refusing to use that which it now has, while it borrows millions to meet its obligations. In this case, as in the other, but one result can follow, viz, that of disaster and ruin. Under this system it is only a question of time when the people of this country will be divided into the two classes of landlord and tenant, serf and plutocrat. When that time comes let it be recorded in history, "Behold the fruits of blind party prejudice."

There are enough people in this country who see these evils, if united in one body, to secure control of both branches of Congress and the Executive. Then, without fear or favor, we could proceed to wipe out this accursed gold-standard, gold-bond, bank-

proceed to wipe out this accursed gold-standard, gold-bond, bankcurrency policy of government, which has caused more poverty, crime, and misery than war, pestilence, and famine, and establish in its stead a policy of the bimetallic standard—no bonds and Government currency—a policy of justice, equity, prosperity, and

happiness for all the people.

Revenue.

REMARKS

HON. GEORGE W. WILSON,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency.

Mr. WILSON of Ohio said:

Mr. WILSON of Ohio said:
Mr. SPEAKER: Why this unseemly haste? What is there in the affairs of the American Republic so threatening as to call for an abandonment of principles on the part of a Republican House of Representatives? Is it because the Democratic Administration has been so disastrous to the industries and prosperity of the country? Or is it because the Republicans charged with framing bills providing ways and means for our common welfare have inbills providing ways and means for our common welfare have imbibed too much of the "tariff-for-revenue-only" heresy of the Democratic party? Whatever may be the answer, I am firmly of the opinion that the two bills are calculated to place the Republican party in false positions.

THE TARIFF BILL.

The bill for revenue only which we have passed is not in accord with Republican principles or Republican promises; and, although I voted for the bill very reluctantly, I do not expect any great good to result from it. Why did the bill only provide 60 per cent of the duties established by the McKinley bill? Was it because Mr. Cleveland would veto a bill very nearly corresponding with the McKinley bill? If so, pass such a bill as meets the Republican idea of tariff and protection, and leave the matter with the President to either approve or disapprove the measure. I do not believe it is wise for Republicans to abandon principles for what may be conceived by some to be an emergency brought about by Democratic incompetency and failure. by Democratic incompetency and failure.

SHORT PROTECTION.

Pretended protection, which falls short of real protection, is Protended protection, which falls short of real protection, is worse than no protection. It does not foster industries but increases the cost to consumers. The benefits which the people derive from a protective tariff are: First, it enables our own people to successfully develop the natural resources of this country and put upon the markets of the world products wrought by the hand of American labor; second, it stimulates all kinds of manufacturing to such an extent that competition reduces the prices of manufactured articles to within the reach of all; third, it so revives and sustains our various industries that employment is revives and sustains our various industries that employment is furnished for all common laborers and skilled workingmen. These are the principal benefits derived from a protective tariff. Whatever of tariff legislation falls short of this is not deserving of the name of protection.

SHEEP AND WOOL

Under the McKinley law our sheep raisers and woolgrowers were beginning to prosper, and all farmers were deriving benefits from their industries. If all agriculturists were not actually engaged in raising sheep, nevertheless sheep raising diversifies stock raising and leaves a larger field for farmers engaged in raising other kinds of stock. The consumption of grain by sheep increases the demand for farm products, and the labor required in raising sheep and shearing and handling their wool furnishes employment

for a large number of men. But not with standing all of these great benefits which our people would derive from adequate protection to sheep and wool, the Democratic party struck wool from the duti-able list and placed it upon the free list. And they did this under the pretense that the greater number of our people are benefited thereby.

What a fallacy! Does the importation of foreign goods, manufactured from foreign wool and by foreign capital and labor, benefit the great majority of our people? Does the closing of our mines and shops and factories benefit our people? If it were true, which I do not admit, that foreign goods would be imported and sold cheaper than our home products of the loom, how would the working people be benefited? Would the laborer, who lost his employment because the goods which he ought to manufacture at home are bought in a foreign country and sold here be benefited? What would he have to buy with at any price? Would the sewing women in the upper story of a tenement house be benefited by having shirts brought from abroad and sold cheaper then she can make them, and thereby deprive her of employment and consequently of the ability to purchase at any price? No, Mr. Speaker, the one great thing to be desired is that our own people shall perform the labor and furnish the materials necessary the production of articles required for home consumption, besides furnishing what we can to foreign countries. We should be self-sustaining in all that can be advantageously produced and manufactured by American enterprise.

PARM PRODUCTS.

The United States is the greatest grain-raising country in the world. There is no other place where corn can be so abundantly

But there are some special crops produced abroad, especially in Canada, which distinctly compete with the products of the farmers of the United States and for which there are no compensatory benefits

Probably the most damaging are hay, poultry, and eggs. I think the farmers and housewives of this country ought to be pro-

tected against the invasion of our markets by Canadian products.

The people of this country pay the taxes which support their civil institutions, and they fight the battles which protect their liberties and make their flag honored on land and sea to the limits of civilization. Therefore, upon principle and policy, I maintain that it is our duty to protect our own people in all their material interests against the encroachments of foreign products and foreign labor.

Revenue.

REMARKS

OF

HON. STEPHEN R. HARRIS.

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency—

Mr. HARRIS said:
Mr. Speaker: I expect to give my vote to the measure reported
by the committee, although it does not come up to what my con-

The bill I introduced (H. R. 265), and which was referred to the committee, proposed to put a duty on wool which would exceed by about 4 cents per pound that contained in the bill under con-

Under the present bill the proposed duty on wool will be nearly cents per pound. I would rather it had been not less than 11

I support the bill, however, in order to secure immediately sufficient funds that the income of the Government may defray its expenses, and secondly, to get all we can now, and trust to the future to secure for the American farmers and woolgrowers the

protection to which, in my opinion, they are entitled.

Mr. Speaker, I represent an agricultural district and I rise to advocate the cause of the farmer. We have no large cities, but the small cities and towns in my district, as elsewhere the country over, depend on the farmers for their prosperity, and too often have the farmers themselves looked in vain to Congress for protection.

It is said that over 90 per cent of the wealth of this nation is in the hands of her farmers. The proportion may be overstated, but much the greater portion of the property of this country is owned by American farmers.

Agriculture is the foundation of our nation's wealth and pros-Agriculture is the foundation of our nation's wealth and prosperity. All other pursuits are dependent on the farmers. If the farmer thrives, they prosper; if the business of the farmer languishes, they suffer. That is emphatically shown when there is a general failure of crops in our country. Merchants, mechanics, factories, jobbers, railroad companies, and banks all feel the shock. Business is deranged, laborers can not get employment, and general depression prevails. On the contrary, when crops are and general depression prevails. On the contrary, when crops are abundant and prices of agricultural products good, the farmer thrives, and all classes of business partake of his prosperity. Yet I regret to say that no class of people of the country has been neglected by the nation's legislation as have been the farmers of the United States. Corporations, combinations of capital, and trusts were fostered and protected in the Fifty-third Congress, when the new tariff schedules were adopted, but who raised his voice in favor of the farmer when his interests were stricken down?

Our wool industry was vast. In my own Congressional district nearly every farmer had his flock of sheep, some numbering thousands and others but few. Under the tariff law as it formerly existed they made woolgrowing profitable. The heavy woolgrowers gave employment to numerous laborers, and the small ones did their own work and depended on the market of their wool as much as on their other crops to pay their taxes, meet their liabilities, make their improvements, and add to their well-earned accumulations.

accumulations.

The wool product of the Thirteenth Congressional district of Ohio in 1893 was 1,316,064 pounds. Under free wool the fall in price has been 15 cents. This makes a loss to the district of \$197,-544 every year, or an average loss of \$32,926 every year to each county, the heaviest loser being Wyandot, \$51,996, and the least being Sandusky, \$12,635, the loss to Crawford County being \$34,600 every year. The annual loss by free wool to the State of Ohio is over \$2,600,000 by the fall in the price of wool alone under free

It seemed cruel to suddenly repeal the protective duty on wool and destroy an industry that brought prosperity to the farmer and through him to the country at large.

Under the McKinley tariff the duties on wool were producing a revenue of \$42,000,000 per annum, and at the same time the property and business of the woolgrower were protected against the competition of cheap wool from Australia, Cape Colony, and China. It is claimed by the author of our present tariff law that a protective tariff is unjust on principle. The science of political economy, he claims, teaches free trade. He forgot that great and sacred principle, however, when he came to the schedules of sugar, rice, and collars and cuffs, while he had it distinctly in view when he struck down the wool markets and so reduced the duty on shoddy as to invite its importation and thus supplant to a great extent the use of American wool.

Let me for a moment discuss the point as to the alleged equity of free trade and the iniquity of protection. It is true that the

of free trade and the iniquity of protection. It is true that the text-books of political economy used in our colleges teach the students the doctrine of free trade.

That doctrine in theory appears to the reason to be correct. It came down from British authors and has been adopted in the literary institutions of our own country, and many young men leave their alma mater imbued with a firm belief in free trade. Now, while that is true in theory, it will not bear the test of practice. The strides of commerce require new rules that the old text-books will not fit. Don Quixote had profound theories for the various measures he pursued, but they produced ludicrous results when put in practice. results when put in practice.

As late as the time when Sir William Blackstone codified the laws of England and produced his matchless Commentaries, which is the first book ordinarily put in the hands of a law student, there was a law against witchcraft, and that eminent writer gravely commented on it. But the modern lawyer does not take much more stock in it than he does in the free trade of those older books which are fading away before the progress of modern business

experience.

The experience and judgment of mankind will bear me out when I assert that the first duty of a man is to protect his own business and his own household.

The duty of a municipal corporation is to protect its own traders, and the duty of a nation is to protect the industries of its own people. When wholesome duties will yield revenues to the Treasury and protect the interests of our own people it is hard to say they

are wrong in principle.

I will venture to say that the ordinances of Professor Wilson's own city provide, as do other towns and cities, that transient traders and peddlers shall pay license to sell their goods in Charlestown; and why? Because in one sense they are foreigners to that municipality. They are nomads. They pay no taxes to support the city, they pay no rents, they are not identified with the city and its interests, and hence they are required to pay into the city treasury enough to even up with home traders, after which they can not afford to undersell them.

The principle is the same when applied to a nation, and no specious reasoning in the text-books of political economy can gain-

All parties united in the exclusion of the Chinese from the United ates. Why? Because the American laborer could not compete ith them. They lived on wages that meant starvation to the

with them. They lived on wages that meant starvation to the American laborer and his family.

What is the difference if the Cheap John be sent to his foreign home and afterwards permitted to send the products of his cheap home. labor into our country free of duty and thus destroy factories that give employment to thousands of American workmen? It strikes a blow at both capital and labor, and especially at labor, because capital can shift its investments, but the laborer is left out in the cold.

cold.

Our country is in a bad financial condition. We are good for our debts, it is true, but it is a matter of regret to see its revenues cut off, its gold reserve sinking, its resort to the sale of bonds to raise means to pay the current expenses of its administration, when a wholesome tariff would again put us on the road to prosperity. The chief source of our revenues is duties on imported articles of commerce. Propose direct taxation and the American people would jump to their feet in battle array like the men of Roderick Dhu. Roderick Dhu

It is a question not of theory, but of practical business judgment. Tariff for revenue, judiciously adjusted to affordincidental protection to American industries, is destined to become the permanent policy of our nation.

The Coin Redemption Fund.

REMARKS

HON. JOHN W. LEWIS,

OF KENTUCKY,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. LEWIS said:

Mr. LEWIS said:
Mr. SPEAKER: Opponents of the pending measure seem to regard it as an act authorizing the issuance and sale of bonds, but such is not the fact. That authority exists under the act of 1875, and we are informed already by the Executive that bonds will be issued and sold pursuant to the authority of that law as has been done heretofore. This Congress as constituted will not be able to pass a repeal of that law over the veto of the Executive. Then it is the data of Congress to use the converted to the congress to use the congr

pass a repeal of that law over the veto of the Executive. Then it is the duty of Congress to use the opportunity and power it has in a practicable manner by enacting the wisest and best measures now obtainable in the interest of the people.

The bonds already sold by this Administration under the authority of the act of 1875 in one issue of \$100,000,000 and in another issue of \$62,000,000, running for thirty years, at the pleasure of the holder, have added to the obligations of the people \$162,000,000 and an interest charge of over \$100,000,000. Had the pending act been law and said bonds been negotiated and sold under it the interest charge would only have been something over \$24,000,000. It therefore appears plain to my mind that as the issue of bonds and the increase of the public debt is unavoidable in the present emergency it is for the best interest of the people that future issues and sales of bonds should be made and negotiated as provided in the pending bill, thus preventing their negotiation and sale by private contract as heretofore at high rates of interest to domestic or foreign bankers, but affording an opportunity to our own people to purchase them and reducing at the same time the rate of interest.

I believe that sufficient revenue to prevent a deficit in the Treasury will restore confidence and relieve the trouble arising from continual runs on the gold reserve. We have already passed a measure which, it is claimed, will produce the needed revenue, but the gold reserve is already reduced to a point that endangers the credit of the country and its currency and menaces all credits and renders a destructive panic imminent. Delay is impossible; the good effects of the revenue law can not be realized in time; hence the necessity of the enactment of the bill under consideration.

The same conditions confronted the country when the Fifty-

The same conditions confronted the country when the Fiftythird Congress was convened in extraordinary session, the same appeal was made by the President to them as to this Congress in the recent special message. They wasted eighteen months in useless contentions and abortive confusion, winding up by the enactment of a law that has only added to the embarrassment of the Treasury, the reduction of revenues and increase of deficits

Treasury, the reduction of revenues and increase of deficits, creation of raids on the gold reserve, perpetual alarm as to all business, and great injury to all the vast interests and enterprises of the country, and which was denounced by the President as party perfidy and dishonor.

In what remarkable contrast is the conduct of this House! Responding to the instincts of patriotism and granting his request, it foregoes the usual holiday recess and before the holiday season is over enacts a law that will relieve the Treasury from the dishonor of daily, weekly, monthly, and yearly deficits, and before the close of this day will pass another law to replenish the depleted gold reserve, to preserve the credit and financial integrity of the country upon the best terms for the people. In the two measures immediate relief is offered the people, and a cessation of the consuming and destroying doubt and suspense that has preyed so relentlessly upon all public interests since the advent of this ill-omened Administration. Mr. Speaker, it is not voting authority to issue Administration. Mr. Speaker, it is not voting authority to issue bonds; if it were, I should vote against it; but as a bond issue is inevitable and unavoidable, I vote to reduce the interest charge and place the loan within the reach of the American people. For these reasons, and to afford prompt relief to the Treasury and the business of the country, I shall vote for the bill.

The Coin Redemption Fund.

REMARKS

HON. WINFIELD S. KERR.

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. B. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. KERR said:
Mr. SPEAKER: My conception of duty impelling me to vote against this bill, I desire to state my reasons therefor. As a general principle the Republican party and Republicans are against an extension of the public debt. Only the direct necessity, such as preserving the national honor or the nation's credit, would justiful the public debt.

as preserving the national honor or the nation's credit, would justify the increase of the interest-bearing debt in time of peace.

The first section of this bill is supposed to furnish the means to maintain the gold reserve and the second section to borrow money to pay the ordinary expenses of the Government.

If there were no other means to keep the gold reserve to the point of safety save the passage of this measure I would vote for it, but a principle can not be sunk or set aside for no other reason than to save 1 per cent of interest. The Cleveland Administration has construed the statutes so as to afford ample power to protect the reserve. The Republican party provided this means as one of the steps to resumption of specie payments, but by reason of its wisdom in the management of our fiscal affairs resort was had to this power of selling bonds but once and that was to gather a portion of the original fund.

Facing this situation, gentlemen who support the first section

Facing this situation, gentlemen who support the first section of this bill are in the attitude of opposing the increase of the public debt on principle, but waive the principle to save a paltry sum in interest. What difference is there between selling bonds under the act of 1875 or the act of 1895, save that the former bear 4 or 5 per cent of interest, according to time, and the latter bear 3 per

cent?

In the last two campaigns in Ohio the Republican party denounced the present Administration, not so much for selling bonds and thereby enlarging the public debt as for the manner in which they were sold and because it had created a necessity for such sale. The situation is one created by Democratic mismanagement they were sold and because it had created a necessity for sale. The situation is one created by Democratic mismanagement and lack of business and statesmanlike qualities in the Administration. Let the Democratic party confront this situation, and if there is any agony let that party endure it; if there is any crown of thorns, let its brow wear it. Understand, Mr. Speaker, that I do not see any danger to the Government; if so, duty might point a different course. Gentlemen may get excited, and with outstretched hands clasp an imaginary emergency, but there is no emergency. The Administration is practicing a bit of domestic diplomacy to secure the approval of this Congress of its debt-increasing scheme; to bring upon the Republican party a portion of the obloquy which has fallen upon it. I for one will stand from under—the Government will not die nor the suffering of the people be accentuated till the Republican party can come back to power and dig up the roots of this evil in a Republican way.

It is already announced from authoritative sources that this bill It is already announced from authoritative sources that this bill

will not receive the Executive approval. Why then attempt to do a thing that is wrong in principle to relieve a supposed emergency when it is prefecty certain that it will all end in the attempt? You are "carrying coals to Newcastle."

Again, what will the Senate do with this bill? Defeat it certainly. It is a proud thing to come to the country's rescue in the hour of peril, but one who ties himself to the cannon's mouth in the time of profound peace gathers no victor's wreath. It is never the time of profound peace gathers no victor's wreath. It is never wise to do a futile thing, and especially a wrong thing, that can not be justified even by good results.

A cry of distress comes from the other end of the Avenue. Why

are gentlemen so frantically rushing to the rescue? So swiftly have they moved that they reach the field of battle without their battle armor on. Shorn of its tragic features, it seems to me like a modern instance of that great tragedy which was enacted in the Imperial City nearly two thousand years ago. It is another "Help me, Cassius, or I sink." If to-day or to-morrow the Republican party hears this tired Cæsar from the turbid waters of this Tiber it will only be that next week his blood may stain the Senate

To support the second section of this bill there is neither necessity nor request. The President protests that he has plenty of money to pay expenses. His party followers on this floor enforce that declaration. They are now and will be for a brief time responsible for the management of affairs. Why not allow them to

go on in the uneven tenor of their way?

Under no circumstances save those of immediate danger to the credit of the nation would I vote for a measure to borrow money and pay interest therefor to run the ordinary affairs and pay the ordinary expenses of the Government. Yesterday we passed a bill which it is announced will raise enough additional revenue to pay expenses. If passed by the Senate and signed by the President it will go into effect immediately. Where, then, is the need of more money? If that bill does not raise enough why did we stop short? If that bill does not provide a sufficient amount of additional revenue it was the duty of the Republican party to enlarge the schedules and raise the tariff duties until it did. Are we to be put in the attitude of refusing to increase tariff rates to the protection point and then supply the deficiency in revenue by borrowing money? This is not my construction of Republic-anism. I am sure it does not accord with Republican principles and achievement, and, for one, will not support it.

The Coin Redemption Fund.

REMARKS

HON. L. M. STRONG,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895.

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

Mr. STRONG said:

Mr. SPEAKER: I have hesitated to give my support to this bill lest it be taken to imply acquiescence in a practice of issuing bonds to meet requirements which should be provided for in another way.

An examination of this bill, however, discloses the fact that so far as the first section is concerned no new principle is involved. Its provisions relate to matter of detail only.

The present law authorizes the issue of bonds redeemable in ten or thirty years, bearing interest at the rate of 5 and 4 per cent, respectively, and they may be disposed of in secret. The first section of this bill provides for bonds for the same purpose, running for a shorter time, and bearing interest at the rate of 3 per cent or less.

It also provides that these bonds shall be of small denominations It also provides that these bonds shall be of small denominations and disposed of publicly, so as to give the people of this country an opportunity to take them. Bonds have been issued and disposed of for the purpose mentioned. While the present conditions exist bonds will continue to be issued and disposed of. Shall these bonds bear interest at not over 3 per cent, or shall they bear 4 or 5 per cent? Shall they run for a long or a short time? Shall they have to syndicates at a great profit to the syndicates. be bartered away to syndicates at a great profit to the syndicates, or shall they be offered to the people? To answer these questions in a manner which will be satisfactory to myself compels me to vote for this section.

The second section of the bill proposes to give to the Secretary of the Treasury a power which, in my judgment, he ought always to

have; that is, the power to provide by short-time bonds or Treasury certificates for any temporary deficiency in the funds of the Treasury. This power would seem to be necessary to enable him in case of an emergency to maintain the credit and the honor of

the Government.

But, Mr. Speaker, while I shall vote for this measure, I feel that it is a matter of detail only. It does not go to the root of the financial trouble nor to the evil which depletes the gold reserve. The Treasury statement for to-day shows an available cash balance in the Treasury, including the gold reserve, of \$175,470,-249.92. The present Secretary of the Treasury has sold bonds, ostensibly to maintain the gold reserve, from which he has realized \$182,288,040.33, and were it not for the proceeds of these bonds the Treasury would not only be empty, without a dollar of available funds and without a dollar of reserve, but there would absolutely be a deficit of \$6,817,790.41. The Treasury would be bankrupt to that amount. And yet in the face of these facts, and in the face of the fact that the receipts of the Treasury under present laws were constantly less than the expenditures, the Secretary of the Treasury persists in asserting that more revenue is not needed, and, together with the President, undertakes to fix the entire responsibility upon the legal-tender notes, commonly called greenbacks, demanding their destruction.

greenbacks, demanding their destruction.

In his message of December 2, 1895, Mr. Cleveland, having recited the facts concerning the issue and sale of bonds to maintain

The foregoing statement of events and conditions develops the fact that after increasing our interest-bearing bonded indebtedness more than \$162, 600,000 to save our gold reserve, we are nearly where we started, having now in such reserve \$70,382,966, as against \$46,438,377 in February, 1804, when the first bonds were issued.

And further along he says:

Nearly \$27,000,000 of this gold thus withdrawn has been paid out on these United States notes, and yet every one of the \$36,000,000 is still uncanceled and ready to do service in future gold depletions.

Such statements are deceptive and misleading. The inference would be that the \$162,000,000 had been lost by reason of the greenbacks. If that sum has been paid out for greenbacks, what, let me ask, has become of those greenbacks? Where are they? Have they been given away? Have they not been used to supply a deficiency in the revenue and paid out like other money in the discharge of Government obligations? We have simply been running behind and using the proceeds of the \$162,000,000 of bonds to pay current expenses. If the receipts during this same period had been equal to the expenditures, as they should have been, and the same amount of bonds had been issued upon the same terms, the Treasury statement of to-day would show an available balance of \$357,758,290.25, instead of the \$175,470,249.92 now shown. If the President and the honorable Secretary of the Treasury would cease their warfare upon the greenbacks and their conten-

If the President and the honorable Secretary of the Treasury would cease their warfare upon the greenbacks and their contention for the gold bonds long enough to examine the facts and figures disclosed in the report of their faithful subordinate, the statistician of the Treasury, they would readily discover that all this charge of larceny against the greenback is unjust and unwarranted, and that the greenback has only been the innocent instrument of effecting the withdrawal of gold to meet demands made inevitable by the policy and laws of the President and his narty.

Party.

They would find that for the year ending September 30, 1895, we sold to foreign countries \$75,505,140 less of our commodities than we did in 1894, while under the McKinley law, and that for the same period in 1895 we purchased from foreign countries \$83,185,302 more than in 1894, making a difference in the balance

\$83,185,302 more than in 1894, making a difference in the balance of trade of \$158,690,442, and that difference was against us. It would require \$158,690,442 in gold to be taken from this country to make up this difference. Is there any wonder that there is a demand for gold? Can there be any reasonable expectation that such demand will cease so long as we pursue a policy which fosters and encourages the importation and purchase of foreign products in preference to those of our own people? The way to stop the drain of gold from the Treasury is to stop the drain of gold from the Treasury is to stop the drain of gold from the country. The way to stop the drain of gold from the country is to discourage the importation of the products which compete with American productions, and thus give preference to our own artisans and laborers. Buy the product of American labor and you need no gold. Buy the product of foreign labor and you must pay gold. Restore the balance of trade as it existed under protection laws and gold will flow to us. You will then have no need to issue bonds to maintain the gold reserve. The greenback need not then be retired or destroyed. It may remain to serve and bless, and, perchance, again save a grateful people.

The Democratic theory of securing the markets of the world by free trade or tariff for revenue only has again been exploded. Instead of securing us the markets of the world they have lost our own markets. A like experiment was tried in 1846, when the markets of the world were to be secured by the Walker free-trade preference to our own artisans and laborers. Buy the product of

tariff, and the result will be found expressed in the message of

tariff, and the result will be found expressed in the message of President Fillmore, in December, 1851, as follows:

The value of our exports of breadstuffs and provisions, which it was supposed the incentive of a low tariff and large importations from abroad would have augmented, has fallen from \$68,000,000 in 1857 to \$21,000,000 in 1851, with almost a certainty of a still further reduction in 1852. The policy which dictated a low rate of duties on foreign merchandise, it was thought by those who established it, would tend to benefit the farming population of this country by increasing the demand and raising the price of our agricultural products in foreign markets. The foregoing facts, however, seem to show incontestably that no such result has followed the adoption of this policy.

The free-trade theory proved false then, just as it has proved

The free-trade theory proved false then, just as it has proven

Mr. Speaker, if we could only get away from the din and confusion of those who operate in Wall street long enough to hear the fusion of those who operate in Wall street long enough to hear the voice of the people who operate on the farms and in the workshops we would soon find out that something is needed besides issuing bonds to maintain the gold reserve. The languishing industries of the country need the life-restoring tonic of a genuine Republican tariff law; a law which will put an end to the importation of rags and shoddy; a law which will protect the woolgrower, the farmer, the manufacturer, and the laborer; a law which will give our own people a fair chance in their own markets and an opportunity to compete for the markets of the world.

I believe this House should pass such a bill. It is what the people want; it is what the people expect. If it shall not become a law, let the responsibility rest where it may belong. But, Mr. Speaker, at this time, when all are inspired with sentiments of patriotic devotion to their country, may we not hope that even a Democratic President would consent that the fires be relighted in the furnaces and workshops of America, sending a ray of light and hope and joy and prosperity to all the people throughout the whole land?

The Coin Redemption Fund.

REMARKS

HON. HARRY SKINNER.

OF NORTH CAROLINA.

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. SKINNER said:

Mr. SPEAKER: I regret that the representatives of the political organization with which I affiliate and which stands before the organization with which I affiliate and which stands before the people of the country in their name for the protection of their interests have not been accorded time upon the floor for the consideration of this important measure that we might have the opportunity of exposing before the country in detail this false issue and false emergency which the Ways and Means Committee have thought proper to meet in a summary manner, and to exhibit the sham battle which the American Congress has displayed to the public for 'heir entertainment during the Christmas holidays. By the use on the spirit of the President's "emergency" Venezuelan message.

message.

I heartily approve of the maintenance of the Monroe doctrine, and my people, true to their tradition and history, will freely give their men and treasure to sustain our flag on land and over sea in maintaining the right and protecting the weak. Still, it seems to me, the President and Congress have acted precipitately in the matter. The President has strained the Monroe doctrine. He doubtless claims that, as American territory is involved, the doctrine applies, since if a part of an American State may be taken the whole could be, and thus its government overthrown. Here, I believe, the President is in error, since boundary disputes are necessary incidents to adjacent States, and are among the most common to arise. The Monroe doctrine was never intended to apply to such ordinary and necessary disputes. The commission authorized can accomplish nothing. It can have no international authority; it can not reach a conclusion; and if it should ever make a report, which is very doubtful, there is no use to which it could be put.

The message coming at this time, when there was no reason for undue haste, and at an hour when the President wanted to force his financial views upon the country, and creating a panic, which he must have known would have followed his message, and then supplementing the same with his financial message calling for the retirement of the people's money and the issuance of gold bonds looks as if there was method in this exhibition of his patriotism,

the method being to popularize himself upon a patriotic issue and then, before the people could recover their second thought and good judgment under the pressure of a panic which he had voluntarily created on the issue of patriotism, to have Congress in dorse his financial policy. By far Congress had better permit Great Britain and Venezuela to settle in their own way and time their disputed boundary than to adopt the financial policy of Mr. Cleveland and that contemplated by the measure under consideration, and thereby give legislative assent that gold, and gold allow, shall become the world's money, of final redemption, which would mean the pauperization of our people, the annihilation of their hopes, and in time the destruction of their Government.

It will take something more than the Venezuelan boundary, and repeated panics in Wall street and other commercial centers to divert the minds of the plain, producing people from the issues of civilization and humanity involved in the proper solution of the silver question. The issue can not be avoided. The American people are determined that they shall have the opportunity of passing directly upon the question in which is involved their happiness and prosperity without unnecessary delay and distracting entanglements. The dominant parties may as well realize that the people can not be longer deceived either by the glamour of party prestige, sectional partisanism, or race prejudices, but in the future will act and vote for themselves.

The Democratic party deceived them in 1892—and Law deceived.

The Democratic party deceived them in 1892—and I say deceived them because they had every reason to know Mr. Cleveland's attitude on the silver question before he was nominated—and for the expediency of temporary party success they ought not to have persuaded their confiding constituents to support the worst enemy of silver in Christendom. The Republican party will doubtless attempt to deceive them in 1896 by repeating the straddling policy adopted by the Democratic party in 1892. The developments in this debate ought to convince Republicans that they can not retain their strength on the Pacific Slope, in the States west of the Mississippi, or maintain a broken South unless they make concessions in their platform to the silver element of the Republican

They may retain them in 1896, but when their President, to be elected, breaks faith with the people, then the time of reckoning will be at hand. The people doubtless are laughing at the sham battle that has been played on the boards in the halls of Congress in a so-called emergency; the remedy which they offer they know before it is offered can never pass the Senate, and the Democrats resisting it under the plea that free silver, 16 to 1, is the proper remedy to be applied, when they know that if they could succeed their President would veto such a remedy, and when they further know that they are fighting in the name of a political organization and that after the next Democratic convention they will become the special champions of the single standard gold policy as taught and practiced by Cleveland and Carlisle. What is to become of the silver Democrats?

I will not presume now to prophesy, but I can not, I will not, believe, after hearing the silver sentiment and speeches made on this floor during this discussion, that these gentlemen will remain in the Democratic party after their party has passed under the golden rod. But, Mr. Speaker, I will reserve further remarks in this line for the hustings after I have had the opportunity of judging these gentlemen by their actions. I will only at this time extend to them an invitation to join the only free-silver party in America, the People's Party. It is the natural political home of every free-silver Democrat and Republican, and let me say that you injure the cause of free silver more than your free-silver speeches do good by remaining in gold organizations. If free silver, 16 to 1, is the remedy, I invite you as patriots to come to us and help us furnish this relief to the people.

I wish that the House could approach the discussion and vote upon this measure in an unselfish, nonpartisan, and patriotic spirit, with the interest of the people only at heart. Then we might look for a restoration of peace, confidence, and prosperity throughout the land. The members of the House will appreciate this patriotic declaration when I tell them that I bear the distinction of representing in a nonpartisan manner the ducking territory of our gaming President, to whose broad waters, pure air, historic and patriotic surroundings he had to have recourse to summon the patriotic fire and courage necessary to issue his very manly and courageous message referred to. History is only repeating itself

In 1862 there was a real emergency to be met before which the present manufactured emergency pales into insignificance. Our Treasury was empty. Gold, coward as it has always proven itself to be since the creation of the world, had hid away or fied to other quarters. Not only the current expenses of the Government do to be met, but an army and navy necessary to suppress a rebellion. In this exigency the Ways and Means Committee were called upon for a summary remedy. The Republican party at this time, like patriots, met the issue, not in the manner that you meet

it to-day, but in a bold declaration, in substance expressed in the speech of that great commoner, Thaddeus Stevens:

Cut the country up into one-dollar bills and let the boys fight it out.

You did not attempt at that time to maintain any gold reserve; you did not think at that time it was necessary to have gold to meet the current expenses of the Government or to meet the expense that was then upon you by reason of the war. North Carolinians, in fact the South, know by experience how well you fought it out. The remedy that you gave them saved the flag and saved the Union, and made liberty universal throughout the borders of our common country. When peace came the South had all of her property swept away from her and nothing left but her men and land; she was wrapped in the drapery of mourning and the dewroten upon the gentle roses seemingly turned into tears of grief-

drops upon the gentle roses seemingly turned into tears of grief. This remedy brought as a result to the harvest that succeeded the surrender of Lee and Johnston more prosperity and better times to our country and to our governmental affairs than is enjoyed to-day or has been enjoyed since the demonetization of silver in 1873 and the realization of resumption in 1879. You exemplified by this remedy that you furnished that this Government was independent of gold and that you could succeed independently on financial lines without the assistance of any foreign power or syndicate. The remedy that you gave at this time gave the Populists their cardinal truth that what in common everyday life is called money is but a creature of the law; that its office is to measure value, facilitate exchange, and to act as a unit of account in settling the balances between individuals and nations. By law this office, this unit of account, may be attached to any proper material, and when so attached becomes a check upon society, and, like all other checks, must be redeemed.

According to the science of trade, the process of redemption is accomplished when earned by labor, passed from labor to tradesman, to and on and around the circle of human aspirations, desires, wants, and requirements. If made receivable for public taxes, you have demonstated that it will always maintain a parity with the money of other nations, regardless of what material they may use, so long as the interest-bearing bonds maintain par, and this can always be secured by making such currency convertible into interest-bearing securities, and these likewise reconvertible at the option of the holder into the same class of legal-tender notes. It is very clear to my mind that this function, this office, this unitof account, should always be retained by the Government as an inseparable incident to the welfare of state and people, and should never be delegated to individuals or corporations, lest this great power in their hands, as we are daily experiencing, be used to destroy the liberty and government of the people.

stroy the liberty and government of the people.

To surrender this high prerogative of state, this function, this office of measuring value, this unit of account, to the owners of the gold of the world, and consenting that gold alone shall become the world's money and the measure by which we shall labor, produce, be taxed, the unit by which we shall exchange, buy, sell, and settle, is simply surrendering ourselves into perpetual bondage and losing all control over our labor and products as well as all control over our form of government. This would be an outrage, a crime against humanity, the destruction of our liberty, the robbery of our homes, and the pauperism of our posterity. It is the cowardly surrender of the God-conceived and great human purpose for which this continent was discovered, this Government created, and the Constitution framed as the ark of our country's hope and the hope of our people's prosperity and happiness.

The example of this surrender made by other nations has produced anarchy in France and Spain, nihilists in Russia, agrarian insurrection in India, and socialism in England, and if you love this country, its flag and institutions, if you want to prevent this country from inheriting and contracting these disorders, you should as quickly as possible come to the coinage of the Constitution, for without the money and the coinage thereof the day is not far distant when we will have no Constitution and no Union. Human rights and civil liberty, losing their champion and protector, will take flight, for in the present and future as in the past on the road of gold monometallism can be found neither bud, flower, blossom, or hope. Let us stand firm by the unwritten American doctrine, woven into the warp and woof of our discovery and creation, that the human race will always find a champion and a protector in this country. Let us break the shackles of gold monometallism by sending out no uncertain sound that this country, even in an exigency such as is presented, will not go any further committing itself to a single-standard policy and will become self-reliant and use all its great resources, integrity, and assets to give the world back its silver money.

All admit that international free coinage would serve the best

All admit that international free coinage would serve the best interests of America and humanity. If it were well to be accomplished by international agreement by independent action, we will lead the way, and the struggling masses of all nations will follow and force the agreement. They say independent action would

drive all the gold from this country. They make this mistake, for our purpose is to increase the primary money of the country to the extent of the silver of the world. This being done, there will be no necessity for silver to replace gold, for the reason that by its recognition and restoration by this Government it will be-

come the equivalent of gold the world over.

Admit for argument sake that silver will displace our gold, we have then in that instance increased the stock of European gold six hundred million—this increase of their money, with the demand for gold decreasing everywhere, will make European purchasers of our export crops more thrifty, enterprising, and consuming, while the increase in America in her silver primary money will cause it to flow in trade, invest in manufacture, opthrifty, and contented people. But we need not fear or be alarmed at the exportation of our gold.

Gold never hides or flows out of a country that is prosperous.

Gold never hides or flows out of a country that is prosperous. In time of danger, or war, and depression in peace is the time it can not be found for the purposes of money. Our wheat and cotton exports, properly handled and protected, will always command what gold we have any practical use for. In fact, by wise and practical control of our great Southern crop of cotton which stretches its white scepter of power from the Old Dominion border to the Gulf of Mexico, producing eight-tenths of the cotton to clothe the human family, to furnish house comforts, equip the white-winged fleet of commerce, and cover the camping armies of the world, we can in a few years either put all the gold of Europe in our Treasury or transfer the cotton manufacturing of the world to the American shores. I had rather see this be done, even if it be called paternalism, than to submit this great field crop of the South to have its price dictated by gold owners at such a price as to cause these Southern people to lose their home and the labor that produces this staple to become paupers and serfs.

They admit that the free coinage of silver at 16 to 1 would give us higher prices for our land, higher prices for our cotton, wheat,

They admit that the free coinage of silver at 16 to 1 would give us higher prices for our land, higher prices for our cotton, wheat, corn, and other produce. They admit that mills would be run on full time, manufacturing increased, mines auccessfully operated, railroads extended, commerce expanded, and they need not tell us that an increase of price for labor will follow the increased demand therefor. They appeal to our high sense of honor and want to know if our consciences will permit us to pay our obligations, national, State, and individual, in fifty-cent dollars. To discharge a forty-cent obligation in fifty-cent dollars is keeping good faith. I assert that the present indebtedness of the country is but the renewal of obligations that did not cost more than forty cents in gold in which they would exact payment to-day.

I assert that the present indebtedness of the country is but the renewal of obligations that did not cost more than forty cents in gold in which they would exact payment to-day.

The national debt was created when gold was at a heavy premium, incident to the peril of war, and was originally payable in the lawful money of the United States, which at the time of its creation was greenbacks. The nature of this contract was changed in the interest of the bondholder and was made payable in coin. By the act of 1873 silver was demonetized, the gold dollar was made the unit of value, and thereby every 40 cents of contract debt was made by legislation a dollar, while the resultant effect of this legislation was to reduce the people's means of paying for their land, labor, and produce from one-half to two-thirds. To restore coinage to the ratio of 16 to 1 places the contracting parties—the nation representing the people and the bondholder—in the same position they were when the contract was made. The South and the West are the debtors of the nation, not only as related to the nation, but individually and in sections. They have to bear more than their share of the public burden in proportion to their wealth, by reason of the levying and collection of taxes. As a section the South, at the surrender of Lee, had no money, her wasted lands was all that was left. Before she could plant and harvest her first crop she had to turn to the more favored section of the country whose currency was not destroyed, but inflated and made better by the results of the war, and in this condition and under these circumstances she borrowed of this currency to rebuild, to repair her fences and reclaim her lands to cultivate her grops, and to educate her children. The this condition and under these circumstances she borrowed in this currency to rebuild, to repair her fences and reclaim her lands, to cultivate her crops, and to educate her children. The West turned to the same section of the country and borrowed of the same currency to develop her fertile and promising territory. Now, all we ask for the South and the West is that justice which

Now, all we ask for the South and the West is that justice which is due them—to be permitted to settle under the same conditions under which they contracted their debts—this is yielding to Shylock his ducats, but it is refusing him the pound of flesh next to the heart, because the taking of this is inhuman and death.

Now, Mr. Speaker, conceding that an emergency exists for immediate legislation—which I doubt—the remedy is not in a coin bond bill such as the House is considering, which only invests the Secretary with additional authority to issue bonds, but the plain and unmistakable remedy is to deprive him of any authority to issue bonds except as specifically authorized, and the free and unlimited coinage of silver at the ratio which obtained antecedent to the crime of 1873. This is what the people demand, nothing less will satisfy them.

The Coin Redemption Fund.

SPEECH

HON. JOHN L. McLAURIN.

OF SOUTH CAROLINA.

IN THE HOUSE OF REPRESENTATIVES.

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

Mr. McLAURIN said:

Mr. Speaker: I am opposed to the passage of this bill because its provisions will not only burden an already debt-ridden people, but will legalize a long series of usurpations by different Secretaries of the Treasury. The caption declares this a bill "to protect the coin redemption fund," while at the same time there is not a single line of law upon the statute book authorizing or providing any such fund. Judging from past experience, without doubt this language would be construed by the Secretary for the purpose of sequestering in the Treasury this vast sum of \$100,000,-000, which should be in the channels of business, giving life and vigor to our commercial transactions. This unauthorized fund has been maintained in absolute idleness for over twenty years, and at simple interest has cost the people more than \$80,000,000. This is a covert attempt to legalize an unwarranted assumption, which alone should prevent the passage of the bill. Mr. Speaker, instead of this being a bill to protect the coin redemption fund it is, more properly speaking, in my judgment, an act to provide for a deficiency in our revenues. The President has already issued over \$160,000,000 of interest-bearing bonds for the alleged purpose of strengthening this reserve fund. In my opinion we might with profit inquire as to what has become of the proceeds of the sale of these bonds.

Mr. Speaker, is it not true that the one hundred and sixty millions of gold received from the sale of these bonds was drawn out of the Treasury through the redemption of United States notes or greenbacks? Is it not also true that these one hundred and sixty millions of United States notes or greenbacks have been paid out by the Secretary of the Treasury in the ordinary expenses of the Government? I repeat, has it not been the custom of the present Secretary to sell bonds for gold, to exchange the gold for United States notes, and then to use these notes in payment of our governments.

Secretary to sell bonds for gold, to exchange the gold for United States notes, and then to use these notes in payment of our governmental expenses? Then why come here with a bill claiming to protect "the coin redemption fund" when in fact and in practice it is a bill to supply a deficiency in the revenue?

I believe in dealing with the people frankly and squarely, and if this bill is really to maintain a redemption fund it should be so stated, plainly and distinctly, and then used for no other purpose whatever. If, on the other hand, as is now secretly practiced, it is to supply a deficiency in the revenue, I maintain that such a declaration should be made, in order that all may clearly understand its import.

declaration should be made, in order that all may clearly understand its import.

Besides, I am decidedly in favor of curtailing rather than extending the discretionary powers of the Secretary of the Treasury in our financial affairs. The act of 1875, mentioned in this bill, provided for the sale of bonds at his discretion, at not less than par in coin, while the last issue of bonds by the Secretary of the Treasury was made for so many ounces of gold bullion. I merely mention this to show the character of the usurpation of power by the Secretary of the Treasury. Mr. Speaker, there is a vast difference between selling bonds for coin, which means both gold and silver, and bartering the obligations of the United States for gold bullion. I assume that all of our present difficulties would be eliminated and further legislation upon this subject unnecessary if we had a Secretary of the Treasury who would obey the law now upon the statute book of the nation. There is to-day not a bond, coupon, obligation, or debt of any character against the United States which is not payable, principal and interest, in coin; and coin to-day means just what it has since the foundation of the Government—both gold and silver.

day means just what it has since the foundation of the Government—both gold and silver.

Now, Mr. Speaker, with the vaults of the Treasury bursting with silver, with the great plain people struggling beneath a load of debt and distress, I assert that it is unfair, unjust, wholly uncalled for that interest-bearing bonds in time of peace should sold to further impoverish our people, and through this interest levy tribute upon their hard toil, while there are lying idle in the Treasury one hundred and fifty millions of silver. [Applause.] Let the Secretary of the Treasury obey the law. Let him treat alike all obligations of Government. Let him consider the debt of the humblest American laborer in the same light that he does the debt due the alien money lender. All are payable in coin, and all should alike be paid in coin.

If it could be announced to-morrow that an American policy of finance would be inaugurated and the further domination of alien money lenders resisted, the same enthusiasm and patriotic response money lenders resisted, the same enthusiasm and patriotic response would come from the people to the support of the Administration that was witnessed when the President so forcibly reaffirmed the Monroe doctrine and notified England to encroach no further upon American soil. A similar announcement on the financial situation would infuse new life into the Democratic party, from which hope has been crushed by the financial policy of the present Administration. ministration.

Let the United States, like France, begin the payment of silver for her paper money when presented for redemption, and the necessity for another bond issue would vanish. Let us also imitate the example of France in refusing to furnish gold for export. In doing this we would simply be putting into practice that grand rule of humane government, "Equal rights to all; special privi-

rule of humane government, "Equal rights to all; special privileges to none."

There is another point, Mr. Speaker, that seems to have been overlooked. It is claimed by the Secretary in his last report that there is in circulation among the people four hundred and seventy-five millions in gold coin. From the report of the Comptroller of the Currency it is learned that not over one hundred and fifty millions is held by the banks, leaving three hundred and twenty-five millions among the people. If the Secretary of the Treasury would expend as much energy in exchanging with the people greenbacks for this gold that he does in exchanging gold for greenbacks with alien financiers, I am of the opinion that the exigencies of the Treasury might be relieved without a further issue of bonds. issue of bonds.

issue of bonds.

The gentleman from Maine [Mr. DINGLEY] advanced the proposition to secure this gold by an issue of interest-bearing certificates of indebtedness. In my judgment the object might be attained at far less expense by exchanging greenbacks which come into the Treasury for this gold coin among the people.

In order to meet the temporary deficiency in the Treasury, instead of interest-bearing obligations to become a burden upon the people, I would suggest certificates be issued against every idle ounce of silver in the Treasury. This would give instantaneous relief and would put into circulation among the people, without the burden of interest, a kind of currency that none would refuse and all be glad to get.

the burden of interest, a kind of currency that none would refuse and all be glad to get.

I can see no good reason why the taxpayers, the producers, and toilers of this country should be forced to pay an interest tribute extending to generations yet unborn when the simple application of justice and common sense would obviate the necessity of it all. [Loud applause on the Democratic side.]

Mr. Speaker, for fear my position upon this alleged gold-reserve fund may be misunderstood I desire to say like many other usurpations of the Treasury Department its legality remained unchallenged until somewhat recently. During a debate in the Senate in 1890 the following statement was made by Senator SHERMAN, the originator of this fund: tor SHERMAN, the originator of this fund:

It is certain from that day to this every officer charged with the responsibility has treated that as a fund set apart for this purpose, and the man who, in violation of that statute, as Secretary of the Treasury, should reduce the gold balance for the redemption of United States notes below \$100,000,000 would be impeachable for high crime and misdemeanor.

The Senator referred to the time when this fund was created, but was very careful not to mention the precise statute which provided for it. Senator Cockrell refused his consent to Senator SHERMAN'S statements and emphatically declared:

There is not one particle of law upon the statute books of the United States directing or requiring the Treasury Department to hold \$100,000,000 of gold for the redemption of United States notes or, as we call them, legal tenders.

Senator Ingalls also declared at the same time:

The claim that this \$100,000,000 in the Treasury is necessary to maintain the credit of this nation, that it ever was pledged to be deposited there as a matter of faith or of public honor, is a fiction. It is a dream.

This debate was continued at some length and the following This debate was continued at some length and the following facts were established: First, that no authority save the caprice of the Secretary of the Treasury could be found for accumulating this vast idle reserve; and second, no law could be discovered that permitted its being paid out in the manner adopted. From that date until the present no one has been able to find a line of law providing for this reserve. In my opinion it should be covered into the Treasury as a miscellaneous fund and the Secretary of that Department compelled to treat all the obligations of Government alike. That portion of the act of January 14, 1875, referred to in this bill reads as follows:

SEC. 3. And whenever and so often as circulating notes shall be issued to any such banking association, so increasing its capital or circulating notes, or so newly organized as aforesaid, it shall be the duty of the Secretary of the Treasury to redeem the legal-tender United States notes in excess only of \$300,000,000 to the amount of 80 per cent of the sum of national-bank notes so issued to any such banking association as aforesaid, and to continue such redemption as such circulating notes are issued until there shall be outstanding the sum of \$30,000,000 of such legal-tender United States notes, and no more.

And on and after the 1st day of January, A. D. 1879, the Secretary of the Treasury shall redeem in coin the United States legal-tender notes then outstand-

ing on their presentation for redemntion at the office of the assistant treasurer of the United States, in the city of New York, in sums of not less than \$50. And to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the description of the bonds of the United States described in the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid.

Under this act Senator Sherman, then Secretary of the Treasury, sold \$95,590,000 of 4 and 4½ per cent bonds for gold, and established this so-called reserve fund. The object of this fund was to redeem and retire the United States notes or greenbacks from the amount then outstanding, \$375,771,580, down to \$300,000. This was to be done gradually as additional bank currency was issued to the banks. In 1876 there was retired \$5,999,296. In 1877 there was also retired \$10,007,952. During 1878, and up to the passage of the bill forbidding their further destruction, there was retired \$13,083,316, or a total of \$29,090,564.

there was retired \$13,083,316, or a total of \$29,090,564.

In the meantime the people grew uneasy over the destruction of these legal tenders and the demonetization of silver, and as a result of this agitation the act of May 31, 1878, was passed. It reads:

of this agitation the act of May 31, 1878, was passed. It reads:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury or other officer under him to cancel or retire any more of the United States legal-tender notes. And when any of said notes may be redeemed or received into the Treasury, under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be re-issued and paid out again and kept in circulation: Provided, That nothing herein shall prohibit the cancellation and destruction of mutilated notes and the issue of other notes of like denomination in their stead, as now provided by law. All acts and parts of acts in conflict herewith are hereby repealed.

Put his act the cancelling and retiring of green had a supergrease.

By this act the canceling and retiring of greenbacks was stopped, and the books of the Treasury showed at that time \$346,681,016 of this kind of currency outstanding, at which figure it has been

This gold-reserve fund is mentioned for the first time in the statutes in the banking act of 1882, in the following words:

The Secretary of the Treasury shall suspend the issue of such gold certificates whenever the amount of gold coin and gold bullion in the Treasury reserved for the redemption of United States notes falls below \$100,000,000.

Mr. Speaker, I have been careful to quote all the acts or parts of acts upon the statute books which in any way relate to the gold reserve or the further issue of interest-bearing bonds, in order to disclose the narrow foundation upon which this idle hoard of gold is held or additional bonds issued to further burden the people. The fact is, Mr. Speaker, there is no authority of law for either, and the time has come when the people of this country should understand the real situation. In my opinion, the country is not suffering from laws which have passed Congress, some of which I admit are wholly bad, but is being destroyed by Department rulings made upon these laws. We may enact laws ever so carefully, but no one can determine their final operation until they have run the gantlet of the Departments. For this reason I am opposed to granting any increase of discretionary powers to any and all public officials.

any and all public officials.

Mr. Speaker, having mentioned the fact that the last issue of bonds was for gold bullion, I desire to give that portion of the contract between Secretary Carlisle and the alien money lender. It reads as follows:

Now, therefore, the said parties of the second part hereby agree to sell and deliver to the United States 3,500,000 ounces of standard gold coin of the United States, at the rate of \$17.8041 per ounce, payable in United States 4 per cent thirty-year coupon or registered bonds, said bonds to be dated February 1, 1896, and payable at the pleasure of the United States after thirty years from date.

This idea of buying coin at bullion rates is no doubt dictated by some ulterior purpose that will come to the surface some day to plague and plunder the people.

Mr. Speaker, gold bullion is a commodity, and, under any construction of law, Secretary Carlisle could have issued bonds as legally for so many ounces of pork, beef, wheat, or cotton. It is time such flagrant violations of the plain statutes ceased by those whom we trust with important positions, for if they will not obey the law how can obedience to the law be demanded of their subordinates?

Mr. Speaker, the provisions of this bill as first presented would under the rulings of the Secretary of the Treasury, have retired and canceled every dollar of United States notes or greenbacks. This was no doubt the intention of its originators; but, fearing exposure and defeat, an amendment declaring against such action was added. These greenbacks have been doing service for more than a third of a century, and never, until the present Administration permitted them to be used as the tools of alien money lenders in raiding the National Treasury, have they given rise to any complaint. These greenbacks cost the Government but a trifle, and burden the people with no interest. If the Secretary of the Treasury was to establish an American Sugardal Parkey. ury were to establish an American financial policy, and in doing so obey the plain letter of the laws, all objections to the continued

use of this form of currency would vanish. These United States notes during their long existence have saved the people of the nation more than \$700,000,000 in interest, and are at the present time the favorite currency of the people. In my opinion they should not be retired, but permitted to continue their work of

facilitating busines

I am opposed to the issue of the proposed certificates of indebt-edness, since they bear interest and can not be used in the chan-Instead, let silver certificates against this vast horde nets of trade. Instead, let silver certificates against this vast horde of idle silver in the Treasury be issued. Such certificates would bear no interest, become no burden to the people, and would readily become absorbed in the exchanges of the country. They would increase the volume of currency and to that extent ass the people in their almost hopeless struggle against general bank-ruptcy. The people do not want another bond issue. They know what it means and fear the result. They know it means harder work, less comforts of life, and lower prices for the fruits of their hard toil. They are in financial distress now and ask for relief from their present burdens instead of being loaded down with

This relief must come, and in my opinion quickly, or great

danger threatens this country.

Mr. Speaker, where is the end? Selling bonds does not replenish the Treasury under its present administration. The jugglery of these financial deals is apparent and the rapacity of those profiting by them seems to have no limit. It is estimated that the total value of all of the property in the United States is about \$65,000,000,000. At least forty-five billion of this has already been appro-000,000. At least forty-five billion of this has already been appropriated through bond dealing and stock watering by the capitalistic class. At the present rate it will not be long before they will have the other twenty billion, and the entire property of this country will be represented by paper securities, upon which interest and dividends must be paid by workers to drone capitalists.

The producer and the man who works with his hands pays for everything. He is the mudsill, and without his toil stocks, bonds, and factories become valueless.

If these bonds are to be continually issued, and the public and

If these bonds are to be continually issued, and the public and If these bonds are to be continually issued, and the public and private debt of this country increased at the rate that has obtained for the past two years, our entire wealth within ten years will be represented by interest-bearing securities, and the seat of our Government transferred from Washington to Wall and Lombard streets. The people will no longer rule, but will become the mere serfs of a bondholding class, "who toil not, neither do they spin." Wages under such conditions will be the pittance necessary to sustain life, while the wealth created will go to swell the hoard of those already monstrously rich. The picture is not overdrawn, and unless our people are aroused to a comprehension of this iniquitous system no one can foretell the calamities which await us in the future. await us in the future.

The masses believe that finance is the paramount issue, and no

amount of deception or sham battles over the tariff is going to deter them from a settlement of this question before all others. For the last thirty years the people have been divided on the question of tariff and marshaled into two hostile camps, while the money owners have fastened upon us a financial policy which

I want these bond dealers to push their schemes to the uttermost limit as rapidly as possible, for the sconer then will the end come. When rulers become mad with power, their fall is near.

Napoleon, intoxicated with success, sought to rule the world, but he died on a speck of rock in mid-ocean, far from the scenes

of his success and glory.

Had he been satisfied with a reasonable amount of power, Europe would not have been convulsed with carnage and St. Helena never heard the heartbroken sigh of an exiled and dying monarch.

History teaches the lesson that centralization of wealth and power may, like the tower of Babel, stand for a while, but the law of gravitation defies the one as surely as justice decentralizes the other.

The masters of to-day become the servants of to-morrow; the

The masters of to-day become the servants of to-morrow; the conquerors become the conquered.

Selfish ambition and love of unmeasured power overthrew the Cæsars and Napoleons, and a day of reckoning will come for the Rothschilds, the Shermans, and the Clevelands.

Mr. Speaker, I am opposed to the further issue of interest-bearing bonds, but I am in favor of the free and unlimited coinage of silver at a ratio of 16 to 1. If we may believe the press of the country, bonds will soon be issued in the same clandestine manner as the last issue without either the knowledge or consent of the people or the legislative branch of the Government.

To-day gold is at a premium of 1½ per cent among the money changers of Wall street. This reduces it absolutely to a commodity instead of a medium of exchange. In this we see that no matter which way we may turn, either toward a war over the boundary line of Venezuela, complications arising from the seal fisheries, or a depletion of the Treasury reserve, we are making progress, whether we wish to or not, toward the use of silver as money.

Mr. Speaker, in my judgment, the people of this country want free coinage of silver. There is not a State in the Union that would not record its vote overwhelmingly for free coinage if its people were permitted to vote on that proposition alone. The wishes of the people may be hindered, but the time is not far distant when the members of this Chamber will be only too glad to register their votes in favor of such a measure.

The money of the Constitution, which since the foundation of the Government has been accepted by the people until it was clandestinely taken from them, must be restored. For one, I shall

bend my energies and cast my votes in this direction.

The Coin Redemption Fund.

REMARKS

HON. RICHMOND PEARSON,

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. PEARSON said:

Mr. Speaker: No man can preach an edifying sermon in a Mr. SPEAKER: No man can preach an edifying sermon in a whirlwind, and no man can make a satisfactory argument in five minutes on a question of finance involving indefinite hundreds of millions of untried bonds. The gentleman from Tennessee [Mr. McMillin] compares our distinguished chairman of the Ways and Means Committee to the Indian chief called the "Young Man Afraid of his Horses." I should rather say, that "his driving is likethe driving of Jehn, son of Nimshi," for "he driveth furiously." In fact, he is driving at such a virtiginous rate of speed that his horses have not even time to "kick." A decent respect for the opinions of my Republican associates and a proper regard for the wishes of my constituents oblige me to state my reasons for wishes of my constituents oblige me to state my reasons for opposing this proposition to issue bonds.

I wish to say that I voted for the revenue bill not as a declara-

tion of Republican principles, but simply as a modus vivendi. It would be called a modus vivendi in diplomacy. It might be styled a "makeshift" in a Democratic platform, not a cowardly one, but a bold and magnanimous offer to meet the President on

one, but a bold and magnanimous offer to meet the President on halfway ground, in the hope that he will display equal patriotism, meet concession with concession, for the public good.

His annual message gives reason to hope that in this emergency he will yield some of his hard-earned views and not blight "the counsels of the brave" in their hour of patriotic inspiration. When a drowning man cries out for help it would be humorous but inhuman to stand on the bank and discuss tariff schedules.

The course of the Democrats on this floor in refusing the revenue proffered in the new tariff bill convinces me that the gentleman from Maine has to administer relief to the Democrats as the Frenchman in Perigord administers food to those interesting birds whose livers are highly prized by epicures, but whose brains are proverbially defective. The nourishment has to be poured into their mouths in liquid form by means of a hose under heavy pressure. The process is painful, but the results are none the less

invigorating, fortifying, and comforting.

Now, I oppose this bond bill—

First. For the all-sufficient reason that I am explicitly and irrevocably committed against the policy, and so are all my constit-

Second. I oppose it for the further reason that I would not do what I have condemned others for doing.

what I have condemned others for doing.

Third. I oppose it for the further reason that it gives increased power to the Secretary of the Treasury, instead of curtailing the power which, in my judgment, he has already abused.

Fourth. I oppose it for the further reason that if it does not retire the legal-tender notes it would enable the Secretary of the Treasury to "corral" them. I can think of no better word.

Fifth. I oppose it for the further reason that its avowed purpose is to redeem the United States legal-tender notes—that is, to buy in the greenbacks and substitute an interest-bearing debt for the best money that ever served our people in war or in peace.

in the greenbacks and substitute an interest-bearing debt for the best money that ever served our people in war or in peace. Sixth. I oppose it for the further reason that, if economy be the object, it is cheaper to buy gold at a small premium than to borrow gold by issuing hundreds of millions of bonds. I am informed by an officer of this Administration that France has taken \$33,000,000 of our gold within two years at a cost of about one-half of 1 per cent—that is, she has secured \$32,000,000 of our gold by paying

Why does not our Secretary of the Treasury display this kind of discretion? Our people have no patience with a discretion "which depletes but does not discern." The interest on the bonds which he has already issued at his "discretion" will amount to \$120,000,000 at the maturity of the bonds. That is, the interest alone will amount to 3 per cent of all the gold on the globe, and yet to-day he has less gold than when he started on this ruinons polic

Seventh. I oppose it for the further reason that it can have only one of two objects, economy or contraction. The first it can not

one of two objects, economy or contraction. The first it can not attain; the second we can not allow.

Eighth. I oppose it for the further reason that it places all these bonds at the "discretion" of the Secretary of the Treasury, a quality which the present incumbent, in his dealings with bond syndicates, has not demonstrated to the satisfaction of the American people. If nothing but that discretion stands between us and with I for one am not willing to take the risk.

can people. If nothing but that discretion stands between us and ruin, I for one am not willing to take the risk.

Ninth. I oppose it for the further reason that I can find no warrant for this policy in the Republican creed, and I defy any man here or elsewhere to cite the article of Republican faith which favors the borrowing rather than the earning of money by the Government in time of peace. Every Republican convention, every Republican orator, and every Republican paper has denounced the Democratic Administration for issuing bonds, and pointed to that fact as the humiliating product and signal proof pointed to that fact as the humiliating product and signal proof of Democratic incompetency. If it be said that the Republican party stands for the honor of the nation, I am proud to believe it; but that party does not stand for the dishonor of the Democratic party, and ought not to be asked to bear any part of that dishonor even in this hour of need. dishonor, even in this hour of need.

REPUBLICAN STATE CONVENTIONS CONDEMN BOND ISSUES. [Massachusetts Republican, October 5, 1805.]

The last Congress provided a revenue shamefully inadequate, and by the issue of bonds shifted on to succeeding Administrations the burden of their outlay.

[New York Republican, September 17, 1896.]

We denounce the Democratic Administration for its grees mismanagement of the finances of the nation. It already has added more than \$165,000,000 to the national debt and the burdens of the people, and there is every evidence that this increase is to be continued.

[Kentucky Republican League Clubs, May 1, 1895.]

We believe in the doctrine of protection to American labor. American industries, and American homes; and weattribute the unparalleled business depression of the country to the utter failure of the Democratic Administration in its management of both foreign and domestic affairs, which has created national distruct and general paralysis, has driven capital from the factories and labor into the streets, reduced the revenues of the Government, and increased the bonded indeltedness.

[Ohio Republican, May 28, 1896.]

[Ohio Republican, May 28, 1895.]

We denounce the present Democratic Administration, whose vicious and vacillating course has brought us distress at home and humiliation abroad. It has inaugurated a policy looking toward ultimate free trade, which has deranged business, crippled our industries, distressed our homes, and dealt labor a serious blow. With deplorable incompetency it has failed to raise revenue enough to run the Government and has had to borrow, in less than two years, \$182,000,000 mainly to pay ordinary running expenses, selling in secret to favored foreign syndicates the bonds of the Government at prices far below their actual value.

[Pennsylvania Republican, August 28, 1895.]

Charges upon the Democratic party the fault for a constantly growing deficit in receipts, as compared with expenditures, thus compelling the borrowing of money in large amounts at exorbitant premiums in time of peace to maintain the credit of the Government. For the failure of the Democratic Administration to provide sufficient revenue to meet the wants of the Government "its responsibility is absolute, and it has exhibited to the world such inability and faithlessness in the discharge of the high trust committed to its care that its history continues to excite the contempt and distrust of all thoughtful citizens."

[Utah Republican, 1895.]

The first State Republican convention of Utah was held at Salt Lake City, August 28, 1895. The platform adopted was as follows:
"We condemn the action of the present National Administration for issuing Government bonds in time of peace to meet a deficit caused by unwise and un-American legislation, and for its unprecedented and unpatriotic coalition with a syndicate of foreign money lenders to procure the sale of Government bonds adversely to the interests of the people."

This bill would throw the Republicans in many sections imme diately on the defensive, and I would say, with all respect to the distinguished gentleman from Maine [Mr. DINGLEY], that he may do more in two days for the Democratic party than that party could do for itself in forty years; he may lift them out of the mire; but I venture to submit that he ought not to put us in their places.

That would be too generous, too hospitable.

Mr. Speaker, the right place for the Democratic party in the fulfillment of their strange mission is on their backs; they can criticise, but they can not execute; they can obstruct, but they can not construct; they can promise, but they can not perform. A magnificent party in the minority—but in the majority, impotent. To epitomize in a homely phrase their record and character, that party fights splendidly on its back, but is not worth a darn on its feet. The gentleman from Pennsylvania [Mr. Brosius] tells us that the President appeals to us for succor. He goes out fishing; if he does not catch "suckers" he may at least capture a scapegoat to hear the sing of the Demogratic Administration. to bear the sins of the Democratic Administration.

Tenth. I oppose this bill finally because I know-in fact every wayfaring man, even though he be a Democrat, knows—that it can not pass the Senate, and the Secretary of the Treasury has taken extraordinary if not indiscreet pains to tell us that it can not pass the White House. Under these circumstances we are now asked to make a voluntary declaration of a policy which I believe to be un-Republican, and which I know to be unavailing; which has been tested and condemned as furiously unpopular and uselessly expensive. I stand ready to vote a thousand millions for the national defense, for the glory of the flag, and for the maintenance of Republican institutions in the Western Hemisphere, but not one cent to cover up, brace up, or patch up, or to indorse, condone, or compound the hopeless incompetency and purblind folly of the Democratic party. I will help the gentleman from Maine to keep them on their backs, but never to lift them to their feet. their feet.

The Coin Redemption Fund.

REMARKS

OF

HON. CHARLES A. TOWNE.

OF MINNESOTA,

IN THE HOUSE OF REPRESENTATIVES.

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. TOWNE said:

Mr. SPEAKER: I avail myself of a brief space to state shortly the reasons why I must oppose the first section of this bill. I can not indorse it as a matter of principle; I can not indorse it as a matter of party tactics, and I can not indorse it as consistent with the views, the very decided views, of an overwhelming majority of my constituents. The gold reserve, sir, it has constantly been claimed on this side of the House, has been depleted both because of the insufficiency of the Government revenues provided by a Democratic tariff and by the maladministration of the Treasury Department by a Democratic Secretary.

The other day the Republican majority of this House, rising to the demands of an urgency that could not brook the delay necessary for a systematic treatment of the tariff upon well-known Republican lines, passed a bill, not in many respects entirely satisfactory to me or wholly just to some interests of my district, and in my judgment justifiable only as an emergency measure, the object of which was to provide the National Treasury with an inobject of which was to provide the National Treasury with an income in excess of its expenditures. By the second section of the pending bill, for which I shall vote, we shall furnish the Scoretary with a resource up to \$50,000,000, in the nature of exchequer bills, to enable him to meet any temporary deficiency for current expenses. Now, sir, I regard these measures as meeting and satisfying the reasons for the depletion of the reserve that have been assigned by the Republican press and the Republican party generally, except as to the alleged mismanagement of the Treasury.

This sir is part of the colitical responsibility of the Cleveland

This, sir, is part of the political responsibility of the Cleveland Administration, and my opinion is that it ought to be left upon that Administration until the people of this country shall, as next November they surely will, visit upon the Democratic party their deliberate and crushing reprehension. Either this or a more drastic and complete enactment controlling the Treasury management. It is significant, sir, that when this bill was first laid in printed form upon our desks it plainly contemplated the effectual retirement of the greenbacks, and partly on that account I am not surprised to find that the amendment which is claimed to obviate that objection does not, in my opinion and that of several other members of this House, clearly and certainly accomplish that re-

Sir, the people of the United States will not permit the retirement of the greenbacks, and I can not vote for a measure which, being under the rule not now open to amendment, may carry with it permissive authority to a too-willing Administration to lock up and retire from circulation the best kind of paper currency the world has ever seen. With ample revenues, which the new tariff provisions will supply; with a restored favorable balance of trade created by the same agency, lessening or destroying the demand for gold to export, and so doing away with the chief incitement to the withdrawals of gold from the Treasury; and with an emergency resource of fifty millions under the second section of emergency resource of fifty millions under the second section of this bill, to be used solely for defraying current expenses, and thus fencing off the reserve from the desperate resort of a lawless Administration, I contend that we shall have done our duty and that no exigency has yet been shown to exist compelling another issue

of bonds in a time of peace, entailing a new mortgage of the country to the English gold farmers, and needlessly increasing the interest burdens of the people.

Now, sir, is this bill demanded by party policy? I care not by what hair-spun distinctions gentlemen may seek to explain and excuse it, the plain people of this country will see in this bill a surrender to Grover Cleveland's patent system of bond financiering, a virtual indorsement of what we have for two years reprobated with emphasis if not violence of speech, and an explicit authority for further transgressions. We are asked by several gentlemen supporting this bill to rise to high grounds and grant the President the relief he has besought. And yet we are assured from the other side of the House by those who are close enough to the throne to catch the expressions of the executive inner con-

from the other side of the House by those who are close enough to the throne to catch the expressions of the executive inner consciousness, as well as by an authorized interview with the Secretary of the Treasury reported in the morning papers, that the Administration is not favorable to this measure, but condemns it and spews it out of mouth. So, sir, we are asked to grant the President's prayer by affording him relief that he rejects.

Sir, the Republican party in this House has rallied round the President in his foreign policy, it has passed a tariff measure which our leaders on the floor have vied with one another in calling not a protective tariff but a tariff for revenue, and if we now surrender to Grover Cleveland's financial policy will not the people wonder where they are to look for the Republican party?

Sir, the President now has authority to dispose of any bonds issued by offering them at public sale in this country. If we fail to pass this section, how can he justify, as we are told he may, a failure so to offer them by citing the neglect of a Republican House to compel him to do what he is already perfectly free too? And so far as the rate per cent of the bonds is concerned, if they are offered in open competition the rate will regulate itself

do? And so far as the rate per cent of the bonds is concerned, if they are offered in open competition the rate will regulate itself through the price brought at the sale; a point not difficult to comprehend, either, though I have heard men say here that, while true, the people could not understand it.

Mr. Speaker, I do not lightly vote against a proposition that receives the indorsement of the leaders of my party in this House. It pains me to do so. They are men I honor for their ability and respect for their personal worth and their past service to the country. But, sir, I have never found it possible to compromise a principle, and in the present instance, as I conceive it, both principle and wise party policy are against the passage of the first section of this bill.

Revenue-No Tariff Tinkering Needed.

SPEECH

HON. JAMES G. MAGUIRE,

OF CALIFORNIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency.

Mr. MAGUIRE said:

Mr. MAGUIRE said:
Mr. SPEKER: The bill before the House is strictly a Republican party measure. It is to be railroaded through the House in accordance with a prearranged Republican programme, concerning which perhaps a dozen members of the dominant party were consulted. All other Republicans in the House are expected to swallow it without making faces, because it is decreed by those to whom their obedience is due that it is good for the party, and any question concerning the wisdom of that decree by individual Republicans is to be regarded as treason. The party lash is the answer to any exestion or protect which they may conceive in their minds. to any question or protest which they may conceive in their minds but dare not permit to reach their tongues.

If any there be who would dare to refuse, Cry "Traitor!" and then your authority use To frighten him into submission.

The Committee on Rules has formulated an edict depriving this The Committee on Kules has formulated an educt depriving this Congress of its deliberative character, at least in so far as it is to deal with the tariff question, by far the most important measure of legislation that will come before it, and the great Republican two-thirds majority of the House have, in obedience to the demands of the committee, surrendered their own right of discussion in order to deprive the Democratic minority of its right to suitably discuss the measure.

Continuous or the other side have said that this is a measure of

Gentlemen on the other side have said that this is a measure of hasty legislation, intended only to meet a present emergency. In that, I think, they are entirely right, but their statements as to

what the emergency is are entirely misleading. It is not an emergency relating to the public revenues which they are seeking to meet, but an emergency relating to the campaign fund of the to meet, but an emergency relating to the campaign fund of the Republican party for the approaching election. Republican political methods require enormous campaign funds, and no legislation can be so important to that party as that which puts it in a position to secure such funds. The monopolists, who are the beneficiaries of the special-privilege system which they call protection, are the sources of their campaign funds. Those interests are thoroughly selfish. Their contributions are given only in return for great financial advantages bestowed, or certain to be bestowed, upon them by the party which they support. They have no political principles save those which have their foundation in their own avarica, and this appeal to their cupidity is the only certain means

ical principles save those which have their foundation in their own avarice, and this appeal to their cupidity is the only certain means of bringing out their financial support for the party of special privileges in the next campaign.

The pretense that this bill is prompted by a desire to respond to the call of President Cleveland is a very transparent subterfuge. It is not in any sense an answer to that call and will not in the least relieve the distressing situation of the Administration pointed out in the President's message. The legislation called for by that message is of a character making a radical change in our system of finance, such as would relieve the Treasury of the gold drain, inevitable under existing law, or legislation providing a means of securing the gold with which to meet the demands therefor which may be made—which are being made, and which are sure to be made—upon the Treasury as long as the present financial system continues. The party in power in pressing the present measure is seeking, first, to satisfy the monopolists who are enriched by the protective tariff, as I have said, and, second, to deceive the masses of the people, who are robbed by that system, into the belief that of the people, who are robbed by that system, into the belief that this is intended merely as a temporary measure to meet a financial emergency in the affairs of the Government. They will not be permitted to go through the campaign without having their false pretense in this behalf thoroughly exposed. The stifling of debate will not shield them from exposure, but will rather make the public more curious to learn why the Republican majority deemed it necessary to avoid reasonable discussion of this measure.

If the bill should pass the Senata as it is already programmed to

it necessary to avoid reasonable discussion of this measure.

If the bill should pass the Senate, as it is already programmed to pass the House, the country will learn, at least, that the foreigner does not pay the tariff taxes. The country will learn a lesson in political economy which will never be forgotten, namely, that the tariff paid on foreign goods is added to the price of the goods advanced by the importer, and paid with interest and incidental expenses by the American citizens who ultimately consume the goods; and that domestic producers of the same kinds of commodities are enabled thereby, arbitrarily and without doing or giv-

goods; and that domestic producers of the same kinds of commodities are enabled thereby, arbitrarily and without doing or giving anything in return for their increased profit, to correspondingly increase their prices as against all American consumers, the consumers of the foreign goods paying a burdensome tax for the support of the Government, and the consumers of domestic goods paying an equally burdensome tax for the enrichment of their specially privileged fellow-citizens.

"But," say the bolder protectionists, who believe that popular ignorance on the tariff question will still permit their absurd claims to pass as valid, "the labor of this country needs protection." I will not essay to discuss that question at this time. The labor of this country was never protected by tariff legislation, and if our Republican friends imagine that the severe reprimand recently given to the Democratic party is an indication of the returning popularity of the system of special privileges which they call protection they will be rudely awakened from their dream. The people have ceased to worship the fetich of protection. The "tabu" of protection is broken.

That spell upon the minds of men

That spell upon the minds of men Breaks, never to unite again, Which taught men to adore That pagod thing of despot sway, With front of brass and feet of clay.

The masses of the people are turning their faces in another direction for relief. They realize that they need protection, but not the kind of protection offered by the Republican party. They need protection from monopoly, from the classes whose special privileges have been built up to the ruin and oppression of the masses by the Republican party. They want legislation which will restore to them their natural God-given opportunities. They want legislation that will restore to them their natural heritage—the land from which all wealth is produced by the application of labor. They want legislation that will make them free in their homes and industries and make them masters, as they should be, of the whole field of wealth production. They are beginning to realize that what they really need is not work, but the wealth which work will produce, and that free land will give them more wealth for less work and constant opportunity for productive labor.

labor.

They are beginning to realize that land and labor are the primary and only essential factors in wealth production; that the

trouble in the industrial world is, that by the power of monopoly those two factors are kept apart and that those who own the land of the country control the conditions upon which all landless people may produce wealth, and the share of wealth which shall go to the producer. They are beginning to realize that as long as that condition continues labor must continue to be the helpless victim of robbery, and must continue to suffer either for the opportunity to produce things that will satisfy their wants or for the very things that they have produced, but which have been taken to satisfy the wants of nonproducers, who, by a false system of land tenure, are in a position, without producing themselves, to take as toll what the labor of others has produced from the Godgiven sources of production. The people are rapidly losing interest in the tariff discussion, and they are as rapidly turning their attention to that question which lies deeper than the tariff, which lies deeper than tradp—the land question—upon the right settlement of which depends freedom of production and the future comfort and happiness of mankind.

ment of which depends freedom of production and the future comfort and happiness of mankind.

My purpose to-day is not to deal with the merits of the tariff question, but, under the leave to print given by the House, to publish in the Record, for the edification of those who seek instruction from its pages, some views which I have prepared upon the single-tax question, and also the following masterly historical paper upon the same subject, prepared with great care and written with an ability worthy of his ripe scholarship and experience, by my friend Mr. Joseph Leggett, of San Francisco. I desire first to insert the following address, delivered by me before the State Grange of California in August last:

RFFECTS OF THE SINGLE TAX ON FARMERS.

[Address of Hon. James G. Maguire before the State Grange of California, in Normal Hall, San Jose, August 14, 1895.]

Ladies and Gentlemen: It affords me uncommon pleasure to appear before you, as the guest of the State Grange of California, to discuss the

before you, as the guest of the State Grange of California, to discuss the single-tax question.

As my time is limited to less than an hour, because of the absolute necessity of my returning to San Francisco on the 11.40 train, I will be obliged to avoid details in discussing all but one phase of the single-tax question, namely, the effect upon farming, and upon farmers, of concentrating all taxes upon

As my time is limited to less than an hour, because of the absolute necessity of my returning to San Francisco on the 11.40 train. I will be obliged to avoid details in discussing all but one phase of the single-tax question, namely, the effect upon farming, and upon farmers, of concentrating all taxes upon land values.

I will deal as fully as possible with that branch of the general subject, because I am sure that it is regarded by you as the most immediately practical part of the discussion.

In what I shall say to you to-day my effort will be, above all things, to be plain and clear, sacrificing all other considerations to that purpose and leaving the proposition of the single-tax advocates is to raise all public revenue for national. State, county, and municipal purposes by a single tax upon the value of land, irrespective and exclusive of the improvements thereon, and to abolish all other taxes.

I wish you to remember, for it is important, that the single tax is a tax on land values and not upon land. I think you will at once admit that our proposed reform has at least the merit of singleness and simplicity, but you may not so readily see that no single reform in the history of the world has been as far-reaching the recommendation of the world is necessarily a user of land, and the single-tax system will very materially affect the conditions on which land may be used.

It is not, as very many suppose, a sentimental plant to give the idle or the unthrifty a share in the results of the industry and thrift of others, but is a well-considered, scientific method of restoring and preserving to all men their equal natural opportunities, sacredly guarding the right of industry and thrift to produce a his failure to produce a living. Our concern in the individual or the community.

But we hold that every man as an inalienable right of access to the nativity of mental labor should be first permitted and them completed to produce his own living.

We hold that to man is entitled to receive service from his fellow-me

matter of natural right, be entitled after producing the watch, to keep it and use it, or lend it, or sell it, without any limit or restriction upon their action. If the producer of such wealth exchanges it for what, to him, is an equivalent, all of his rights pass, and ought to pass, to his vendee.

What is true of the watch is equally true of all other wealth produced by human labor. It should be sacredly guarded to its producers and to those who honestly acquire the rights of the producers.

But there is no such natural foundation for private property in land. Property in land has no foundation in nature or in natural right. Indeed, it is directly contrary to the common, natural right of all men, and must be justified, if it is to be justified at all, by considerations of expediency.

No man has any natural right of property in land, either by production or purchase, because no man made the land. It is the common heritage of all mankind from the immediate gift of the Creator. As no man made the land, thereby originating a natural right of ownership, no man was ever in a position to originate a title to land such as attaches to personal property. Title to land is, therefore, purely conventional, and is based solely and at all times on considerations of expediency. That is to say, it is to be supported or overthrown according to its effect upon the general good of the whole people at any given time.

These views did not originate with single-tax men. They are as old as our moral philosophy; as old as our political economy; as old as written treaties on human laws.

John Stuart Mill, in his Political Economy (book 2, chapter 2),

John Stuart Mill, in his Political Economy (book 2, chapter 2),

When the sacredness of property is talked of it should always be remembered that such sacredness does not belong in the same degree to landed property. No man made the land. It is the original inheritance of the whole species. Its appropriation is wholly a question of general expediency. When private property in land is not expedient it is unjust.

Sir William Blackstone, the greatest of all English law writers, in his Commentaries on the Laws of England (book 2, chapter 1),

The earth is the general property of all mankind from the immediate gift of the Creator. Accurately and strictly speaking, there is no foundation in nature or in natural law why a set of words upon parchment should convey the dominion of land.

Herbert Spencer, in his Social Statics (chapter 9), says:

It may by and by be perceived that equity utters dictates to which we have not yet listened, and men may then learn that to deprive others of their right to the use of the earth is to commit a crime inferior only in wickedness to the crime of taking away their lives or personal liberties.

Hon. William E. Gladstone, speaking of proposed restrictions on the vested rights of the landowners, says:

Those persons who possess large portions of the earth's space are not altogether in the same position as the possessors of mere personalty. Personalty does not impose limitations on the action and the industry of man, and on the wellbeing of the community, as possession of land does, and therefore I freely own that compulsory expropriation is admissible and even sound in principle.

James Anthony Froude, the great English historian, says:
Land is not and can not be private property in the sense that movable things
are property. Every human being born into this planet must live upon the
land, if he live at all. The land in any country is really the property of the
nation which occupies it.

Innumerable quotations from the world's greatest thinkers in the various sciences might be quoted to the same effect. enough for my purpose, however, to show that the doctrine of the sacredness of private property has never been recognized by the world's great philosophers and scientists as attaching to private property in land; that private property in land rests solely upon the laws and usages of each country, while private property in the wealth produced by labor is based upon a fundamental prin-ciple of natural justice as well as upon statutory laws. Nor is there anything in the single-tax system or its philosophy which interferes with the permanent tenure of land for use, nor

with security of improvements, nor with security to the improver and user of land in the fruits of his industry.

The regulation of the use of land in every generation is a proper and highly important function of the State. The best possible use and improvement of land should be encouraged and are essential to the stability of society and its various industries and to the healthy growth of civilization.

the healthy growth of civilization.

Under the single-tax system permanency of tenure, security of improvements, and security in the fruits of labor expended upon the land are all guaranteed more fully and with infinitely greater generality to the whole people than under the present system. It is only against that vicious element in our system of land tenure which encourages the monopoly of land that the single tax is aimed. We would take for public uses the entire unearned increment of land, which political economists call the economic rental value; that is, the present annual value of the use of any given piece of land, exclusive of the improvements thereon, at the time of levying the tax. of levying the tax.

If this unearned increment which attaches to land solely as the result of the presence, industry, enterprise, and virtues of the people of each community were taken by taxation for public uses, no man would have any possible incentive or inducement to speculate in land, nor to hinder others in the pursuit of subsistence, happiness, or wealth by monopolizing the land, which is the only source from which subsistence or wealth of any kind can be pro-

The next objection, and the one which is probably of the greatest practical interest to you, is that "the single tax would largely shift the burden of supporting the Government from the owners of great personal wealth in cities to the shoulders of the farmer."

To this objection it is my purpose to devote the principal part

of my address.

I shall endeavor to demonstrate to you that that objection is not founded upon truth, but that, on the contrary, the statistics of taxation show the contrary to be true. I am persuaded that a belief in the objection which I have just stated has, upon superficial thought, closed the minds of the farmers of this country very generally against any consideration of the single-tax question.

If, therefore, I shall be able to demonstrate, as I believe I can, that the farmers in every State in this Union do now pay, and have always paid, a larger percentage of the taxes levied upon personal property, in proportion to the taxable value of their lands, than do the residents of cities, I will have opened the way for a more general study of the single-tax question among farmers, and will have accomplished as much as I should hope to accomplish by any single address.

Perhaps Ohio is as good an example as any State in the Union of

Perhaps Ohio is as good an example as any State in the Union of the relations of the city and agricultural districts to the various subjects of taxation, and its data on that subject are more complete and accessible than that of any other State.

In 1892 the legislature of Ohio authorized the appointment of a tax commission to investigate and report upon taxation in that State. The commission, consisting of two Republicans and two Democrats, appointed by Governor McKinley, made an elaborate and instructive report to the governor of that State on December 23, 1893. That report and the data furnished in it are so tersely and clearly discussed and reviewed by Mr. Thomas G. Snearman in his work on Natural Taxation that I can do no better on this point than to read portions of his chapter drawn principally from that report, and from the statistics of the State of Missouri on "Effects of the personalty tax on farmers."

"Effects of the personalty tax on farmers."
Let me say here that Mr. Shearman is a distinguished lawyer and law writer, as well as a distinguished political economist and statistician. I read from chapter 6, page 84, of Mr. Shearman's book, and, without designating the subsequent pages, I will read various parts of that chapter down to the bottom of page 100:

Of course there are some forms of personal property which can be seen and appraised by the assessors almost as readily as real estate, though not with so correct an estimate of value. The objection to taxation of chattels is not that none of them can be fully taxed; it is that so many of them can be and are reached, while so many more are not, that the tax is necessarily nequal and unjust. The important question, therefore, is, Upon what class does this tax bear most oppressively? Is that class the more wealthy or the loss wealthy? Is it the city population or the farmers? If taxes were levied only upon the value of real estate, would the farmers pay more or less of the whole taxes than they do now?

Farmers in general have been long convinced that the rigid taxation of personal property would relieve their burdens, and it is entirely by their votes that the existing system is maintained. This is all theory on their part.

personal property would relieve their burdens, and it is entirely by their votes that the existing system is maintained. This is all theory on their part.

But let us study the facts before discussing any theory.

Any attempt to separate the community into two distinct classes, one of which is taxable only on real estate and the other of which is taxable only on personal property, is obviously impossible and absurd. No man is ever reached by the taxgatherer who does not occupy some piece of land. If he did not, the taxcollector would never find him. Tramps pay no direct taxes. Neither can any man live without occupying some improvements on real estate and possessing some personal property. Every taxpayer, without exception, is an occupant of land and improvements upon land, and an owner of personal property. The only selfish interest which any taxpayer has in deciding between rival systems of taxation is to know which will produce a sufficient revenue to the State with the smallest possible burden to him. In considering, therefore, the interest of any class, such as farmers, the real question to be answered is not whether they, in fact, own more or less personal property than merchants, bankers, and money lenders. The questions to be answered are:

1. Do farmers own less personal property, in proportion to the value of their land, than do those other classes?

2. Are the particular kinds of personal property which they own less easily reached by the taxgatherer than are the kinds of property owned by the other classes?

The State must raise a certain fixed amount for public purposes. The amount it will assess upon all taxpayers in proportion to the value of their property as reported by the assessors, not in proportion to the value of their property as reported by the assessors are able exactly toascertain. If, therefore, experience proves that assessors are able to find twenty times as much land value in the possession of merchants as they find among farmers, it is a plain result, as simple as the rule of thre

After discussing at some length the foundation of the farmer's idea—that the exemption of all personal property from taxation would impose a greater proportionate burden upon him than upon the owners of city real estate—Mr. Shearman proceeds:

SEC. 5. The experience of Ohio.—In the light of these considerations, let us review some of the statistics furnished from year to year by the official reports of assessors in Ohio, as compiled annually in the auditor's report. For the purpose of such comparison let us set on one side the four counties which include all the largest cities and, on the other side, the five counties which contain the smallest proportion of city population among all the counties of Ohio.

The former, which we will call the city counties, include Hamilton, Cuyand Toledo.

The latter, which we will call the rural counties, are Geauga, Noble, Carroll, Medina, and Monroe.

These counties respectively represent the extreme contrasts between the cities and the farms of the State. Thus, in Hamilton and Cuyahoga the assessed value of town lots is about seven times the assessed value of the farms, whereas in the five rural counties the assessed value of farms is nowhere less than ten times that of town lots, while in Geauga County the farms are worth twenty-seven times as much as the town lots. Hamilton County, which includes Cincinnati, is the typical city county of Ohio, while Geauga County, which includes no large town, is the typical rural county.

SEC. 6. Furners pay largest share of taxes on personal property.—Now, the first thing which strikes the eye on looking over the statistics of these counties is the following comparison.

	Assessed value of real estate.	Assessed value of chattels.
City counties	\$317,854,665 29,733,450	\$113,340,087 14,307,668

Anyone can see that in the counties which include all the large cities the assessed value of personal property is only about one-fourth of the whole assessment, while in the rural counties personal property constitutes very nearly one-third of their whole assessed value. In more exact figures, the value of assessed personal property in the city counties is 25 per cent of the whole, while in the rural counties it is 32 per cent. If, therefore, all personal property should be exempted from taxation the farmers of these five exclusively rural counties would pay 8 per cent less taxes than they do now.

That this result is not a mere accident, owing to some peculiar condition of these peculiar counties, is easily proved by testing the same question in other ways. Thus, if we set apart the four great city counties and compare them with all the rest of the State, including farming districts and smaller towns, indiscriminately, we find substantially the same result, as follows:

Ohio valuation, 1887.

	Real estate.	Personal property.
City counties	\$317,854,665 867,155,960	\$113,340,087 406,832,007

Here in the counties which include all the great cities personal property amounts to 26; per cent of the whole valuation, while in the remainder of the State it amounts to 32 per cent.

But if we compare single counties, such as Hamilton, in which town lots compose about 86 per cent of all the real estate, with Medina, in which town lots compose only 10 per cent of the real estate, we find the result as follows:

Ohio valuation, 1887.

	Real estate.	Personal property.
HamiltonMedina	\$163, 732, 560 8, 304, 740	\$53, 144, 182 5, 012, 304

Here we find that the real estate of Hamilton County is assessed at twenty times the value of Medina County, while the personal property of Hamilton is assessed at less than eleven times that of Medina. Personal property constitutes 24; per cent of the valuation of Hamilton and 37; per cent of the valuation of Medina. The total exemption of personal property from taxation, therefore, would, if taxes were divided only between the counties of Hamilton and Medina, relieve the farmers of Medina from exactly one-sixth of their present burdens. Invariably farmers are compelled to pay a much larger share of State taxation, as the result of taxing personal property.

SEC. 8. Tuxation of credits heaviest on farmers.—But let us test this question in still other ways. The chief clamor in favor of taxing personal property has been directed toward the taxation of moneys and credits. The money lender, who is supposed to have vast sums on deposit in bank, and the merchant, who is supposed to have vast outstanding credits due from the poor farmers, are the special objects against whom this method of taxation is aimed—all for the same typical counties. The Ohio report for 1867 shows that their relative assessments were as follows:

	Real estate.	Money.	Credits, etc.
City counties	\$317,854,665	\$5,328,050	\$13, 291, 833
	20,733,450	907,829	4, 384, 381

Roughly stated, it thus appears that if taxation were confined to real estate alone the city counties would pay eleven times as much as the rural counties, whereas if taxation were levied on money alone they would pay less than six times as much, and if levied on credits alone a little more than three times as much, while if taxation were levied on both money and credits they would pay about four times as much. Consequently, the burden of taxation in rural counties, as compared with the large cities, is nearly three times as heavy on money and credits as it is on real estate. The only result, therefore, of taxing money, credits, and similar investments is to relieve the burden of the cities and increase the burden of the farms.

Let us test this particular illustration by comparing the county of Hamilton, in which town lots are worth seven times as much as farm lands, with Geauga, in which farm lands are worth twenty-seven times as much as town lots:

1887.	Real estate.	Money.	Credits.
Hamilton	\$162, 732, 580	\$1,833,279	\$735, 945
	5, 555, 800	282,118	584, 477

Roughly stated, Hamilton County is assessed for nearly thirty times as much real estate, less than seven times as much money, and less than eleven times as much credits as Geauga County. If taxation were levied exclusively upon money on hand, Geauga County would pay between four and five times as much as it would if the taxes were levied exclusively on real estate. If taxes were levied solely upon credits, Geauga would pay nearly three times as much as it would if they were levied solely on real estate.

He then proceeds to show from statistics that the adoption of what is known as the spy system in Ohio, that is, a secret-service system for finding and compelling the assessment of personal property, instead of tending to the relief of the farmer, or to the greater equalization of the burdens of personal property taxes, has really made the burden of the farmer proportionately heavier. instead of lighter than before, and has been an utter failure in the great cities.

Further discussing the report of the State Tax Commission, which was filed on December 23, 1893, he says:

That their report confirms all that he has said, and "shows, moreover, that the disproportion between burdens imposed by the tax on personal property upon the cities and upon the farming districts, respectively, has increased considerably since 1887." A few comparisons are here given between the assessments in 1887 and 1893 in Hamilton and Geauga counties, respectively:

Money on hand.

County.	1882.	1897.	1800.
Hamilton	\$2,321,502	\$1,833,279	\$1,535,375
	352,053	283,118	451,567

Here it will be seen that the amount of taxable money reported in Geanga, which is a purely farming district, has largely increased, owing to the spy system established by the State. But the amount of taxable money reported in Hamilton County, which includes the great city of Cincinnati, has again largely decreased, the spy system having entirely failed there.

We will now compare results in—

Credita.

County.	1882.	1887.	1802.
Hamilton	\$6,571,029	\$5,735,945	\$4,290,901
	560,666	534,477	507,651

Although there has been a shrinkage of about 5 per cent in the taxable credits of Geauga since 1887, that is nothing compared with the 28 per cent reduction in Cincinnati.

The tax commission report gives many other instructive figures; too many to be repeated here. To mention, however, a few examples, it appears that the county of Lucas, which contains "the flourishing city of Toledo," is rapidly increasing in population, and has more than double the stationary population of Muskingum County, nevertheless returned in 1822 very much less than half as much intangible personal property for taxation, little more than one-third as much in credits, and not nearly one-third as much in money. Thus the rural county is taxed thrice as heavily as the city. The county of Cuyahoga, including the great city of Cleveland, the population of which is rapidly increasing, and is already about twenty-five times as large as that of Geauga County, returned for taxation less than four times as much money and much less than seven times as much credits. Thus Geauga was taxed, upon these values, about five times as heavily as Cuyahoga.

The net result of all the comparisons made by the commissioners between city and farming districts is to prove that the tax upon personal property makes farmeers pay from §4 to §7 where it makes city residents pay §1.

The preposterous nature of returns of personal property for taxation is further illustrated in the report of the commission by comparison of the amounts of money on hand or on deposit, thus returned, with the amounts actually hold on deposit in banks within the cities making these returns. The following examples will show the general drift:

Deposits (partly estimated).

1898.	Deposits in bank.	Deposits taxed.
Cincinnati	\$29,000,000 63,000,000 8,120,000	\$1,300,000 1,000,000 253,000

Here again the farmers come to the front, to bear their share of taxation with a generous hand; for while five counties, containing all the large cities, held on deposit in banks \$120,000,000, and returned for taxation only \$6,000,000, the remainder of the State, including all the farming districts, having only \$70,000,000 in banks, returned for taxation over \$22,000,000. That is, having 40 per cent less, they were taxed \$50 per cent more! So the tax on "money" bears upon the farmers about ten times as heavily as upon city residents.

SEC. II. Conclusions of the commission—No wonder that the commission, after giving many more illustrations, concluded by saying: "It is uscless to pursue this subject further. * * * While in the country counties * * taxation of intangible property is perhaps feasible, it is in city counties an utter failure. * * * It is confidently believed that no appreciable part of the intangible property existing in the city counties is reached by our method of taxation. It is the country counties which pay the taxes upon personal property."

The commissioners further say: "It is to be remembered that we have in this State an extremely rigid system." They show that personal property is pursued with more severity and ingenuity in Chio than in any other State; and notwithstanding all this, they deciare that the system is "an utter failure," and that even with the respect to the spy law of Ohio, "this scheme, like all other attempts to reach intangible property, follows the universal law

Again, they say: "The system, as it is actually administered, results in debauching the moral sense. It is a school of perjury. It sends large amounts of property into hiding. It drives capital in large quantities from the State, " "The moral sense of the community is blunted; its citizens are made familiar with all manner of evasion: they are taught to lie."

Szc. M. Experience of Missouri.—Lest it should be imagined that the experience of Ohio is peculiar, let us inquire into the experience of Missouri which is even more decidedly than Ohio an agricultural State. In Missouri there are only four cities of over 15,000 population, and only three of over 5,000. Only four counties show a decided preponderance of town-lot values over farm values, and only two more even the smallest difference that way, and those for one year only.

The four counties in which all cities worthy of the name are situated are Buchanan, Greene, Jackson, and St. Louis City. These we will call the city counties and the others the rural counties.

The following are the official and latest figures published:

Missouri valuations, 1893 (in thousands of dollars).

	Farm lands.	Town lots.	Total real estate.	Personal property.
4 city counties	20,572 277,348	820, 177 67, 524	349, 749 344, 872	70, 161 159, 514
Total	306, 920	387,701	604,621	229,675

Here it can be seen at a glance that the four cities, with their adjoining counties, in which farms form much less than one-tenth of the whole value of real estate, pay taxes on more than one-half of all the real estate in Missouri, but on much less than one-third of its personal property. Personal property in the cities amounts to less than 20 per cent of their real estate, while in the rural counties it amounts to 45 per cent of real estate. The farmers of Missouri pay 15 per cent less taxes on their land than the cities and 127 per cent more on personal property. Even in the eight poorest counties in Missouri, where farm lands are worth from twenty to one hundred times as much as town lots, personal property is assessed at 40 per cent of real estate; so that the poorest farmers of the State pay 100 per cent more taxes on personal property than do the richest cities, in proportion to their real estate. Let us compare St. Louis city with the rest of the State:

Missouri assessments, 1895

	Real estate.	Personalty.	Money, notes, etc.
St. Louis	\$259,781,100 434,839,557	\$44,341,110 185,334,285	\$8,449,790 67,663,576
Total	694, 620, 657	229,657,395	76, 113, 366

These figures show that, while St. Louis pays about 40 per cent of the taxes on real estate, it pays less than 20 per cent of the taxes on all personal property, and just 11 per cent of the taxes on money and credits. The rest of the State pays 70 per cent more on land than St. Louis does, but 318 per cent more on personal property in general, and exactly 700 per cent more on money and

Summing up the result of his investigation in these two typical farming States, he says:

Figures like these might be collected, not only from Ohio and Missouri, but from every State and country under the sun, where statistics are kept and personal property is taxed. **O **Farmers can not conceal their sheep and oxen, their plows and implements; and they have enormous difficulty in concealing their wealth in any form, because their affairs are so well known to all their neighbors. If they have any money in bank, all the village knows it. If they have loaned money or sold goods on credit, their debtor is pretty sure to be someone in the immediate neighborhood; and all the circumstances are known to 50 people. The average farmer, when making his returns to the assessor, is afraid to understate his wealth very greatly; because he could hardly look the assessor in the face after doing so, being conscious that if the assessor does not already know the truth he can with very little difficulty find it out for himself. But in large towns and cities scarcely any man knows intimately the affairs of his neighbor; and the assessor knows least of all.

People are reputed to be worth \$1,000,000 who in reality are not worth

least of all.

People are reputed to be worth \$1,000,000 who in reality are not worth \$5,000, and others are reputed to be worth only \$100,000 who in reality are worth \$2,000,000. Even if the amount of any man's wealth is approximately known, none of his neighbors know how that wealth is invested unless it is put in real estate. City assessors, therefore, have absolutely no means of ascertaining the value of any man's personal property except by returns from that man himself or from the corporations with whom he may happen to invest. If an Ohio man makes his principal investments in corporations outside of the State the assessor is entirely at the mercy of the taxpayer. He can tell any number of lies with impunity. The assessor rarely or never examines his books of account; and if assessors once began to make such an examination many rich men would cease to keep books of account at all, as it is notorious that they did when the income tax was in existence between 1864 and 1873. All things combine to make it easy for the assessor to reach the farmer's personal property and difficult for him to reach that of the merchant, banker, or city capitalist.

Mr. Shearman's charter on "Toxystion of improvements" is not.

Mr. Shearman's chapter on "Taxation of improvements" is not less interesting than his chapter on "Taxation of personal property," and shows that under the present system of taxation taxes on improvements as well as those upon personalty fall heaviest upon the rural districts in proportion to land values. That chap-ter is numbered VIII, commencing on page 106 and ending on But time will not permit me to read it or even to refer

to it further.

Taxes for the support of the Federal Government now levied upon imported goods and upon certain domestic products manifestly fall most heavily upon the farmer, because he has no relief whatever from the burdens which they impose.

The tariff enables the domestic producer of the kind of commod-

ities on which it is levied to charge and obtain a higher price for his product in this community than he could if the tariff were not his product in this community than he could if the tariff were not levied. But it is not so with the farmer. While he is obliged to pay a higher price for almost every commodity that he purchases, either by way of tariff burden, if he use the foreign commodity, or an increased price made possible by the tariff, if he purchase a domestic article of the same kind, he has not and has never had the slightest advantage in the sale of the commodities which he produces. His grain of all kinds must be sold at prices fixed in the freest markets of the world. This has always been true, and it must ever be true of the farmers of this country, because conditions of soil and climate and area make it certain that this country will always produce a surplus of grains which must be marketed. ditions of soil and climate and area make it certain that this country will always produce a surplus of grains which must be market at the abroad. That surplus must be sold in the world's market at the prices prevailing there, and the home price is fixed by the laws of trade at exactly the price which the surplus brings in the free market of the world less the cost of shipping the grain to that free

So that while other producers in this country may have some compensation for the burdens imposed upon them by Federal taxation, the farmer has no such compensation, and as the tariff must, in order to raise sufficient revenue, be levied upon articles of general consumption, the tax falls finally upon the people of this country according to their consumption and not according to their wealth. It therefore falls upon farmers with unequal severity, because, as compared with the city classes, the wealth of the farmer is small.

A single tax upon land values would bear upon city and country districts in proportion to their respective land values. The value of land, speaking economically, is the annual margin which it will yield over the cost of production at any given time.

A large part of what we now call land value is speculative—that is to say, it does not rest upon the present value of the land for use, but partly upon that real or economic value and partly upon the expectation that population will grow, or enterprise and industry increase, and thus give a return to the land owner in the increase of the market price of his land. That is to say, the speculative element would disappear under the single-tax system and the value of land would depend entirely upon the margin which it will at any given time yield over the cost of production, which of course includes the wages of superintendence. Nothing but that margin would be taxed under the single-tax system. Unless the land would yield some margin over and above the cost of cultivating it or otherwise using it, including the wages of superintending the cultivation or use, it would pay no tax whatever under the single-tax system.

der the single-tax system.

Now, this economic value of land is highest at the industrial Now, this economic value of liand is highest at the industrial and commercial centers and shades away to nothing, or comparatively nothing, in the farming districts. We frequently hear farmers say that they are opposed to the single-tax system because they are already taxed too heavily; and sometimes we hear farmers say that they are not able to make a living upon their land and

pay the present taxes which are imposed upon them.

If a man is not able to make a living upon land which is sufficient in quantity according to its location to keep its occupier employed throughout the year, or during the seasons of cultiva-tion and harvesting, then, of course, that land has no economic rental value. It has no margin of production to be taxed under the single-tax system, and instead of having his taxes even upon his land value increased he would be relieved of the present tax on his land value, as well as or the tax upon his improvements and

personal property.

Let it be borne in mind that no land will be taxed under the single-tax system which will not command a ground rent, irrespective and exclusive of its improvements, if the owner shall choose to discontinue his use of the land and lease it to another. There are thousands of farmers now in isolated districts paying taxes not only upon personal property and improvements, and indirect taxes for the support of the Federal Government, but taxes also upon the speculative value of their farms, who would be re-

also upon the speculative value of their farms, who would be relieved of taxes altogether under the single-tax system, because their lands have no present economic value and are not at present capable of yielding any margin of production or ground rent.

Of the incidental advantages of the single tax to the farmer I have not time to speak. I had occasion about three years ago to present my views upon that phase of the question in the Pacific Rural Press. I regard these incidental advantages as vastly more tax than the relief of the farmer from tax burdens. They important than the relief of the farmer from tax burdens. important than the relief of the farmer from tax burdens. They will include to him better roads, better schools, greater social advantages, and better public conveniences of all kinds, with far less outlay and trouble than at present. They will, in short, be the substitution of a natural growth of settlement and industry from the centers to the outer circles of the rural districts, bringing the relations of all who are engaged in industrial and commercial pursuits into a harmony and unity of interest such as has never been known since the monopoly of land was first established as an "industry" in England three hundred and fifty years ago.

It was recently read by Mr. Leggett before the Single Tax Society of that city and also before the Institute of Applied Christianity in the city of Oakland, Cal.:

ORIGIN AND RESULTS OF LANDLORDISM IN ENGLAND.

At was recently read by Mr. Leggeth before the Single Tax tainty in the city of Oakland, Cal.:

ORIGIN AND RESULTS OF LANDIGIDISM IN ENGLAND.

ADDRESS OF RON. JOSEPH LEGGITT, OF SAN FIRANCESO, CAL.

If we could first know here we are and whither we are tending, we could better judge what to do and how to do it.—directors. In hill praterial recent in the well-being of makind. As an original investigator of the past industrial condition of the English people. Professor Eggers is without a peor. The value of his investigator of the past industrial condition of the English people. Professor Eggers is without a peor. The value of his investigator of the past industrial condition of the English people. Professor Eggers is without a peor. The value of his investigator of the past industrial condition of the English people. Professor Eggers is without a peor. The value of his investigator of the past industrial condition of the English people. Professor Eggers is without a peor. The value of his investigator of the past industrial condition of the cond

These conditions were maintained in spite of the efforts of the privileged classes, who were the only lawmakers of the time, to depress the condition of labor by acts of Parliament. He says: "Now I have told you how, for two hundred years and more, the representatives of rent tried to depress wages by force of law, in the interests of rent, and failed. So complete was the failure that in 146 the legislature enacted that scale of wages for which the workmen had contended, and so left them in possession of the situation." (Id., p. 229.) "The laborers had won the day." (Id., page 33.)

During the last half of the reign of Henry VIII an ominous change in the condition of the English masses began. Vagrants and beggars swarmed throughout the land, and the most harsh and cruel statutes were enacted for their punishment and suppression. In the twenty-second of Henry VIII an act was passed providing that any person, being whole and mighty in body and able to labor, found begging or being vagrant, might be arrested by a constable, and a justice might, in his discretion, cause every such idle person to be taken to the nearest town and there tied to the end of a cart, naked, and to be beaten with whips throughout the town "till his body be bloody by reason of such whipping." And this whipping was to be repeated as often as he made default.

In the twenty-seventh of Henry VIII an act was passed providing that if the vagrant persisted in his course after being whipped, he should have the upper part of the gristle of his right ear clean cut off, and if he still persisted he was to be tried and executed as a felon. And a writer narrates "how Henrie the flight, executing his laws vorie severlie against such idle persons " of Edward VI and Elizabeth. In the first Edward VI an act was passed providing that a vagrant "might on conviction be marked with the letter V, and adjudged to be the slave for two years of the person buying him, giving him only bread and water or small drink, and such refuse of the real ways the bushing him o

this realm of England and Whies be presently with a superior exceptions, and street beginning to the present of the common weal."

Another portentous sign and proof of the change that had taken place in the condition of the English people was the alarming growth of extreme poverty and destitution. The existence of this evil is also evidenced by the legislation of the time. By the act twenty-seventh Henry VIII it was provided that "every preacher, parson, vicar, and curate, as well in their sermons, collections, bidding of the beads, as in time of confessions, and at the result of the present of the relief of such as were in unfeigned misery, that the curate of every parish should, on every Sunday and holiday, after reading the gospel of the day, make (according to such talent as God hath given him) a godly and brief exhortation to his parishioners, mowing and exciting them to remember the poor people and the duty of Christian churity in relieving of them which be their brethren in Christ, born in the same parish and needing their help. (Encyclopedia Britannica, Volume XIX, page 483).

**Legislation for the relief of the cort, at first by voluntary contributions, there were twolve acts of Parliannet passed with the distinct object of providing relief against destitution." (E. I. of H., page 241.) "If was at first believed that private benevolence can never grapple with a national calamity. * * * It is possible that Henry and his son's guardians fancied that private charity would fill the vold. * * * * It is certain that the anticipation was disappointed." (Id., page 242.)

The carrier of these acts claimed only voluntary gifts, and ecclesiated described was relied on to enforce the claim. * Very soon the appeal for their abundance. Soon the caltiff who would not give was to be sent to god, and an assessment level on his goods. Finally a general assessment was order

as harsh and cruel for our time as were those of Henry VIII, Edward VI. and Elizabeth for their times. The appeals for charity made by our churches are will be also the control of the co

(E. I. of H., page 167.)

The mere statement of this fact is sufficient to convince anyone that there was no landlord of agricultural land, in any modern sense, during those three centuries. A rent of 8 pence to 8 pence per acre was not rent in any sense of the term with which we are familiar.

And Professor Rogers says: "No one who knows anything about economical history can doubt that rent was originally, and for centuries, a tax imposed by the strong on the weak in consideration of a real or pretended pro-

tection of the tenant. The invariable and fixed character of the tax seems to me to prove this; and the fact that no attempt was made to alter the fixed rent, save by open or disguised violence or fraud, is to me conclusive." (E. I. of H., page 172.)

tection of the tenant. The invariable and fixed character of the tax seems to me to prove this; and the fact that no attempt was made to alter the fixed rent, save by open or disguised violence or fraud, is to me conclusive." (E. I. of H., page 172.)

And again he says: "And it is a proof of Adam Smith's eagacity that, without the materials before him from which the facts could be demonstrated, he saw that ent was originally a tax, and that a long interval must have one of the control of the proof of the says of the control o

is let for fifty or a hundred pound by year. Of this too much cometh (that) this monstrous and portentous dearth is made by man, notwithstanding God doth send us plentifully the fruits of the earth, mercifully and contrary to our deserts.

"Notwithstanding too much which these rich men have causeth such dearth that poor men (which live of their labor) can not with the sweat of their face have a living, all kind of victuals is so dear, pigs, geese, capons, chickens, eggs, etc., " " I will tell you, my lords and masters, this is not for the king's honor. " Also it is the King's honor that the commowealth be advanced, that the dearth of these aforesaid things be provided for, and the commodities of this realm so employed as it may be to the setting his subjects on work and keeping them from idleness. " " Furthermore, if the King's honor (as some men say) standeth in the great multitude of people, then these grasiers, inclosers, and rent rearers are hinderers of the King's honor, for where as have been a great many householders and inhabitants there is now but a shepherd and his dog. So they hinder the King's honor most of all. " I know where is a great market town, with divers hancets and inhabitants, " a " and the vicar that serveth (being so great a cure) hath but 12 or 14 marks by year, so that of this pension he is not able to buy him books nor give his neighbor drink.

"All the great gain goeth another way. My father was a yeoman, and had no lands of his own, only he had a farm of three or four pound by year at the attermost, and hereupon he tilled so much as keyt half a dozen men. He had walk for a hundred sheep, and my mother milked 30 kine. He was able and difind the King a harness, with himself and his hore, while he came to the place that he should receive the King's wages. I can remember that I buckled his harness when he went unto Blackheath Field. He kept me to school, or else I had not been able to have preached before the King's majesty now. He married my sisters with 5 pound or 20 nobles apiece, so

is and hath been maintained chiefly. * * * But verily they that should look to the redress of these things be the greatest against them. In this realm are a great many of folks, and amongst many I know but one of tender zeal, at the motion of his poor tenants hath let down his lands to the old rents for their relief. For God's love let hum not be a Phœnix: let him not be alone; let him not be a hermit closed in a wall; some good man follow him and do as he giveth example. Surveyors there be, * * * but the commons be utterly undone by them. Whose bitter cry ascending up to the ears of the God of Sabbaoth, the greedy pit of hell burning fire (without great repentance) do tarry and look for them. A redress God grant. For surely, surely but that two things do comfort me, I would despair of the redress in these matters. One is that the King's majesty when he cometh to age, will see a redress of these things so out of frame. Giving example by letting down his own lands first, and then enjoin his subjects to follow him. The second hope I have is, I believe, that the general accounting day is at hand, the dreadful day of judgment I mean, which shall make an end of all these calamities and miseries."

maters. One is that the King's majesty when he cometh to seem the thought reduced to those things so out of frame. Giving example by letting down his own lands first, and then enjoin his subjects to follow him. The second hope in law is in believe, that the special coconting day is at hand, the dreadful miseries general mean, which shall make an end of all those colamities and miseries general mean, which shall make an end of all those colamities and miseries general the control of the colamities and miseries general the color of the calculation. For many the color of the calculation, or of machinery could obscure or hide from Latimer's clear and carnest mind the real cause of the calculations. No question of money, of transportation, or of machinery could obscure or hide from Latimer's clear and carnest mind the real cause of the calculations of the calculation of the calcu

The English poor law, inaugurated by the act of 27th Elizabeth and continued to the present day, is far from being a monument of human wisdom in the field of legislating the country poor houses are mostly modeled on the English workhonses, and our plan of supplementing them with the police station is rectainly anything but an improvement. And yet its seems to me that, not-withstanding the inability of our modern legislations to find it, the thing the control of the c

must perish.

And is this awful fate inevitable? Must we and our posterity drink to the dregs the bitter cup of misery that has been held to the lips of the English people for the last three and a half centuries? Must poorhouses rise in every township of this broad Republic as they have risen in every parish of England? Must our children and children's children be driven into exile from the land of their birth as millions upon millions of the people of England, Iraland, and Scotland have been during the past three centuries? Shall the plowers forever plow the backs of a class condemned to toil, in this once free and happy land? The single taxers answer no. They say these things must and shall not be. They are setting the ax to the root of the deadly tree which produces these evil fruits, and their brave and sturdy blows are beginning to tell. With a hope that inspires to high endeavor and a faith that faiters not they are pressing forward in ever increasing numbers to the goal where equal opportunity shall be secured to all, where all men shall be not pominally but really free—

"And the truth shall ever come uppermeet,
And justice shall be done."

The Coin Redemption Fund.

REMARKS

HON. HENRY ALLEN COOPER.

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. COOPER of Wisconsin said:

Mr. SPEAKER: The one great objection urged here by gentlemen in opposition to the pending bill is that if enacted into law it would result in the final retirement and practical destruction of the greenbacks. This argument seems to me to be based upon an entire misapprehension of the facts; for, sir, the question is really one of fact. It is admitted on every hand that under the law as it now exists the greenbacks can not be retired, but that when they are taken into the Treasury the Government is compelled to reissue them and to keep them in circulation. The President in his message and the Secretary of the Treasury in his report both denounce this law which compels the reissuing of the greenbacks, and they urge upon Congress in vigorous terms its immediate repeal. This law, which thus makes compulsory the keeping in circulation of the greenbacks is the statute of May 31, 1878, entitled "An act to forbid the further retirement of United States legal-tender notes," and reads as follows:

And whenever any of said notes [greenbacks] may be redeemed, or be received into the Treasury, under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be issued and paid out again and kept in circulation.

This is the statute about which the President and the Secre-

tary of the Treasury complain, and the repeal of which they assert is absolutely necessary.

Now the opponents of the pending bill unite in declaring that, in some way which I have been unable to discern, it essentially complies with this demand of the President and of the Secretary of the Treasury, and that if made a law it would result in the withdrawal of the greenbacks from the currency of the country. I am at a loss to know upon what any such argument is predicated, it seems to me so palpably untrue, so entirely baseless in fact. The pending bill either does or does not propose to repeal or change the law of 1878, which I have quoted. This question can be at once determined by a reading of the bill itself. The first section contains the following proviso:

Provided, That nothing in this act shall be construed to repeal or modify an act approved May 31, 1878, entitled "An act to forbid the further retirement of United States legal-tender notes."

The matter is too plain for argument. The proviso which I have just quoted explicitly declares that the pending bill, if made a law, shall not in any wise be held to repeal or to modify the statute of 1878. In other words, the statute of 1878 is to be continued in full force and effect, without change or modification, and therefore under no circumstances could the Administration finally retire the greenbacks or withdraw them from circulation without a deliberate violation of express law. In my opinion, as I have said, there is no room for argument upon this point. There is no occasion for invoking any rule of statutory construction, because there is here nothing contradictory, nothing ambiguous, nothing to construe. The language of the proviso is plain, unequivocal, and susceptible of but one meaning. It declares that the act of 1878 shall not only be continued in force, but that it shall be so continued without any modification whatever. This proviso is in the first section of the bill. The second and last section confessedly has nothing to do with the matter. How, then, can it be seriously claimed that this bill would result in the destruction of the greenbacks? What foundation is there for that statement? Where is the fact, or the semblance of a fact, to warrant the putting forth here of any such argument? If under the statute of 1878 the Secretary of the Treasury is compelled, as we all know he is compelled, to reissue the greenbacks and to keep them in circulation, then he would still be forced to reissue them if this bill were to become a law, for in this regard the law them if this pull warrand. But sir there is no occasion for is to remain wholly unchanged. But, sir, there is no occasion for

further elaboration of this point.

Mr. Speaker, there is another misapprehension concerning the purpose of this bill to which I wish briefly to refer. It seems to be assumed, by some of those who oppose it, that if made a law the bill would compel the Secretary of the Treasury forthwith to issue bonds. This is not true. The bill would not force the sale

of bonds, it would simply and wisely regulate the manner of their sale when necessary, and compel the Secretary of the Treasury on every such sale to first offer them to the American people in the open market, after due advertisement. It would give to the American people the first opportunity to purchase their own securities, and would make the sale open and public at the Treasury Department and at the subtreasuries and designated depositories of the United States. Until the Secretary of the Treasury had so publicly advertised and offered the securities for sale, it would prohibit him from negotiating any more issues by private contract.

Mr. Speaker, the sale of bonds by which the public debt is increased is always a misfortune; and I desire to say that nothing but an emergency of the most serious character could ever induce me to consent to such a transaction in a time of peace. But, sir, such an emergency now confronts the Government. The godl reserve established at a hundred millions by the resumption act of 1875, and kept intact at that sum from the 1st of January, 1879, until after the commencement of the present Administration, has been encroached upon until to-day nearly forty millions of it have been paid out, and there remain but a little over \$60,000,000 with which to redeem more than three hundred and forty-six millions of greenbacks. which to redeem more than three hundred and forty-six millions of greenbacks. Besides this, it appears from the last report of the Secretary of the Treasury that from the 1st day of July, 1893, until the 1st day of December, 1895, the receipts of the Government have fallen below its expenditures to the amount of \$130,221,023, an average of about fifty millions a year of deficit during that

In this connection it must be borne in mind that the one hundred million of reserve is not kept separate and apart, but is mingled with the other funds in the Treasury; and, sir, notwithstanding what was said, and left unsaid, on the subject by the President and what was said, and left unsaid, on the subject by the President and the Secretary of the Treasury in their communications to Congress, there is, I think, little doubt in the mind of any person who has carefully investigated the matter that the proceeds of the bonds issued to the amount of \$162,000,000, and sold ostensibly to replenish the gold reserve, have in fact been used to defray the current expenses of the Government. The President in his message wholly fails to mention the fact of the great deficit in the revenues—an omission so remarkable that nobody would presume to attempt to explain it. He does, however, elaborate upon the danger growing out of the rapid depletion of the gold reserve, and he loudly calls upon Congress for legislation to avert threat-ened disaster. It is a matter of common knowledge that another and he loudly calls upon Congress for legislation to avert threatened disaster. It is a matter of common knowledge that another bond issue is imminent. For many days the air has been filled with bonds and rumors of bonds. Under such circumstances it is that the pending bill is brought into the House. The bill proposes that if the threatened issue be made there shall first be an offer of the bonds, upon public advertisement, to the American people. It provides that until the people of this country have had a chance to buy their securities in the open market no syndicate, foreign or domestic, shall obtain them by private contract. This bill seeks to avoid, if possible, the scandal of another secret contract like that of last February, by which bonds worth 118 were sold for 1041—a contract which, when compelled to be made public, was thus described in that great Democratic newspaper, the New York World, in its issue of February 21, 1895: BUNGOED OUT OF MILLIONS AND MILLIONS—THE BIDDING FOR THE BONDS

paper, the New York World, in its issue of February 21, 1895:
BUNCOED OUT OF MILLIONS AND MILLIONS—THE BIDDING FOR THE BONDS
PROVES THAT THE ADMINISTRATION LET SLIP A SUM EQUAL TO NEARLY
HALF ITS LOAN-GENERAL SCHAMBLE FOR THE ISSUE—IN TWENTY-TWO
MINUTES THE AMERICAN SHARE WAS BID FOR MANY TIMES OVER AT 116
TO 18, AND SLOW LONDON BID FOR \$600,000,000 AT 1164—INTO THE JOBBERS'
POCKETS WILL GO \$8.418,707, WHICH, IN A BAVINGS BANE, WOULD GROW
TO \$7,683,678 IN THE LIFE OF THE BONDS—THAT IS WHAT THE PROPLE
PAY FOR STAR-CHAMBER VERDANOT.

Every day adds to the infamy of the transaction. * * * * * The more the
bond deal is studied the more incompetent appear the Government officials
who could sit by and listen to the argument of the bankers and then in all
simplicity attach their binding signatures to any such contract as that of
February 8. It would be more than interesting to have the whôle story of
that deal haid bare, as a warning, if nothing more. It is the duty of Messrs.
Cleveland, Carlisle, and Curtis to say to the taxpayers who have been
mulcted to the tune of millions just why such a one-sided contract was made.
Mr. Cleveland, Carlisle, and Curtis to say to the taxpayers who have been
mulcted to the tune of millions just why such a one-sided contract was made.
Mr. Cleveland has been a Wall street lawyer. He was in a position to know,
by inquiry of honest, responsible men, just what a United States bond of the
sort he proposed to issue was worth here and abroad. It was his sworn duty
to get this information if, as an American citizen of ordinary intelligence, he
didn't already possess it. He evidently did not post himself or, if he did, he
cravenly surrendered the good name and credit of his country to a free boder
in finance, a man who is in his business for all there is in it, and whose policy
has been for years to find a weak spot in a corporation and then squeese it
for all it is worth.

Face of loan	962, 315, 000
Snydicate premium at 104.40.	2, 797, 943
United States gets	65, 112, 943 4, 835, 644
What inside jobbers pay	60, 948, 587 3, 588, 113
The public pay and the United States should have received United States has lost. Compounded as a sinking fund, at 4 per cent, for thirty years this	78, 531, 700 8, 418, 757
lost profit would be	27,028,076

PROFIT AND LOSS.	
Belmont and Morgan buy \$62,315,000 at 104.49. Belmont and Morgan sell \$62,315,000 at 112.25.	\$65,112,943 69,948,587
Belmont and Morgan profit	of own of or E
Inside jobbers buy \$62,315,000 at 112.25	60, 948, 587 73, 531, 700
Inside jobbers' profit. General public buy \$02,315,000 at 118. Loss by United States to the jobbers.	3,583,113 73,531,700 8,418,757

Mr. Speaker, this is what this great Democratic journal said, in Mr. Speaker, this is what this great Democratic journal said, in February, 1895, of that contract—a contract made in secret, and the provisions of which the Secretary of the Treasury earnestly sought to have kept secret until the Administration was practically forced to make it public.

Let it be remembered, sir, that that contract was negotiated with men some of whom, at least, were the close personal friends of the President, one of them being his business partner at the time of, or very shortly prior to, his inauguration.

Let it be further remembered that in 1862 more than five hundred millions of five-twenties, and in 1864 and 1865 more than sight hundred and twenty-nine millions of seven-thirties were sold

eight hundred and twenty-nine millions of seven-thirties were sold to the people at par in currency, and that during all the war period the highest price paid by the Government to any agent for floating its loans was 11 per cent, and this included all expenses connected with the issues

After the war, while gold was still at a premium, the Government began to refund the national debt. It carried through all its gigantic refunding operations successfully, and, as I find upon investigation, never paid a higher commission than one-half of 1 per cent, which was the maximum rate fixed by the statute of

Beginning with the administration of Secretary Windom, in 1881, the Government refunded more than \$700,000,000 of bonded indebtedness without paying one penny of commission. Yet, according to this great Democratic newspaper, the profits realized by the Morgan-Belmont syndicate and by the inside jobbers from the contract of last February were more than \$8,000,000 in six months on an investment of sixty-five millions; but this statement of the World was made in February, 1895, and was therefore in the nature of a prophecy. However, the transaction under that private bond contract has been completed, and we are now prepared to give its history.

private bond contract has been completed, and we are now prepared to give its history.

This history I have seen in several prominent newspapers, East and West, there being substantial agreement as to all details, but I think the most succinct statement of the matter which I have met with is that given recently by the distinguished journalist, Mr. W. E. Curtis, in the Chicago Record. From this it appears that the bonds, amounting in value to \$65,117,500, were sold by the Government at a premium of 4.48 to Messrs. Morgan and Belmont, for themselves and the Rothschilds. These gentlemen disposed of them to their own syndicate at an advance of 9.75 on each bond of \$100. This gave to Morgan and Belmont a profit of \$4,831,575.

They kept only three-fourths of 1 per cent of this contribution.

\$4,831,575.

They kept only three-fourths of 1 per cent of this sum, however, as their commission, i. e., \$488,872. The remainder was divided among the members of the syndicate, yielding a profit of 6.72 per cent on their investment, which, with 1½ per cent interest accrued on the bonds, made a profit of 8.422 per cent. As their money was tied up only about six months, the transaction netted 16.844 per cent a year; but it will be remembered that these bonds, which they bought at 4.48 above par, in a little while rose to a premium of from 23 to 23 cents, or an increase of nearly \$17 on every \$100, so that the syndicate, if they have sold the bonds, have made a profit of \$12,494,384, or, if they kept a part of them, can, when they sell, realize that sum. A profit of about 18 per cent in one year! cent in one year

Is it any wonder, Mr. Speaker, that this extraordinary transaction has attracted the earnest, if not indignant, attention of the "plain people," of whom the President so often speaks?

Now, sir, it is in some measure to prevent a repetition of secret negotiations of this kind, at least until after a public offer of their securities has been made to the American people, that this bill is

securities has been made to the American people, that this bill is brought into the House.

Realizing that a bond issue by the Administration is inevitable, it seeks to make the best of adverse circumstances.

It may or may not pass the Senate and become a law. It seeks to remedy two or three patent defects in existing law, and I shall vote for it, though it is not all that I would desire. If I could have my way no bonds should ever be issued in time of peace by the Secretary of the Treasury except with the direct consent of Congress first obtained.

The piling up in a time of profound peace of the debt of the

The piling up in a time of profound peace of the debt of the United States, a nation the richest in natural resources of any which the world has ever known, is nothing short of an outrage upon the taxpayers of the country, but at present there seems to be no possible way to prevent it.

The Coin Redemption Fund.

REMARKS

HON. JOHN J. GARDNER,

OF NEW JERSEY.

IN THE HOUSE OF REPRESENTATIVES,

Monday, January 6, 1896,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

Mr. GARDNER said:

Mr. Speaker: The position of the Democratic members of the Ways and Means Committee and the position of the party on the floor, on this measure, would put an ordinary paradox to blush. They insist, as the President does, upon the absolute retirement of the greenback. They assert that the greenbacks constitute an endless chain arrangement, crank, wheel, axle, and all, for drawing gold out of the Treasury, and that there is no financial safety until they are destroyed. To their view, an amplitude of revenue gives no relief from this danger, because they assert we have that now. They see no escape from ultimate bankruptcy but in ceasing to pay out the greenback, for as often as it is paid out it comes back knocking at the doors of the Treasury and imperiously demanding its equivalent in gold. When they talk about this bill, however, they find a comfortable surplus, sufficient to meet any temporary deficiency in revenue for years to come. This "comfortable surplus" is made up largely of redeemed greenbacks. If they are going to meet temporary deficiencies with them, they contemplate paying them out. They propose to do what they insist shall not be done. They find safety in what they declare is our only financial danger. They are going to save the credit of the Government by doing the only thing which they assert endangers it. They are going to restore confidence by resorting to the methods which they say has destroyed it.

It has often been suggested that there is very little, if there is anything, in all this talk about an "endless chain;" that the Government never pays out a dollar unless it owes one, and if the greenback was not paid a gold dollar would be paid. It takes no more gold to pay the greenback than was required to pay the debt. The only answer that I have heard is, "You confound the debt-paying power with the maintaining of specie payments." Well, it was to pay a debt that every dollar in greenbacks was ever issued. This is equally true of the reissue of them after redemption. One h

ever issued. This is equally true of the reissue of them after recently borrowed, ostensibly to redeem greenbacks. The redeemed greenbacks are in the Treasury or they have been used to pay debts. If they are in the Treasury, they are not in motion as a part of that fabled chain. If they are not in the Treasury, they have gone where just an equal amount of gold would have gone if the greenback had not been used. It will take no more nor other gold to redeem them than would have gone out to pay the debts which the greenbacks have satisfied. When they come in for redemption the Treasury, after redeeming them, will be in the same condition it would have been in when the greenbacks were paid out, if it had then paid gold.

If the Treasury reissues the greenbacks to pay debts, and again redeems them, they will not have drained it of a dollar. The greenback each time pays a debt that would otherwise have drawn the gold. This "endless chain" does not carry an ounce of gold out of the Treasury that would not have gone earlier if the chain had not been put in motion. It is trivial to answer that the law requires them to be paid out. The law does not require them to be given away. They go out to meet the obligations of the Government. If the greenback did not go gold must, as has been shown. They take the place of gold, which remains in the Treasury for their redemption.

The greenback only became troublesome when the revenues of the Government fell below the current expenses. The greenback became a troublesome factor when the public knew that the Secretary who naid it out had not received it as a part of the dues of retary who naid it out had not received it as a part of the dues of

the Government fell below the current expenses. The greenback became a troublesome factor when the public knew that the Secretary who paid it out had not received it as a part of the dues of the Government, but had bought it with borrowed gold. The difficulty is in the deficiency in revenue. To retire the greenback will not augment the revenue; it would not, therefore, furnish the necessary relief. If the Administration had borrowed \$550,000,000 and retired all the greenbacks and Treasury notes, the Government would have been compelled to go into bankruptcy. It would have been unable to pay its daily expenses. It has lived, so to speak, on the redeemed greenbacks. The methods of the Administration precisely resemble those of an individual who should borrow money to take up his note, and immediately repledge his note and use the proceeds for family expenses.

His action would not indicate a sufficiency of revenue. It would suggest approaching bankruptcy and destroy his credit. The parallel suggestion in the administration of our national finances is what made the greenback troublesome. There was no "endless chain" until the present Administration forged it. To vociferate with administration forged it. with admirable persistence that the greenback should be retired may aid in shifting discussion to currency measures, but it will never demonstrate that the present national currency is responsible for the late bond issues, nor for the issue contemplated. The causes for the increase of the interest-bearing national debt are to be found in the Wilson bill. They lie at the door of those who inspired that legislation and administered the Government under it.

The Coin Redemption Fund.

REMARKS

HON. CHARLES S. HARTMAN.

OF MONTANA.

IN THE HOUSE OF REPRESENTATIVES,

Monday, January 6, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. HARTMAN said:

Mr. SPEAKER: As one of the forty-seven Republicans who registered their votes against the bond bill reported by the Ways and

tered their votes against the bond bill reported by the Ways and Means Committee, it seems only right and proper that some of the reasons which impelled me to oppose that bill should be given. Not having addressed the House on this bill, I have seen fit to avail myself of the privilege extended to all members to insert in the Record remarks upon the same.

In view of the fact that my objections to the merits of the bill have been so thoroughly expressed in detail by others who entertain like views upon the policy of bond issues I shall content myself by summarizing those objections as follows:

First. In my judgment, the effect of the bill, in spite of the Hopkins amendment, will be virtually a retirement from circulation of the greenbacks.

of the greenbacks

of the greenbacks.

Second. While it is but fair to admit that the framers of the bill intended to throw around the Treasury Department such safeguards and restrictions as would prevent the secret negotiation of bond deals, yet in my judgment the bill does not accomplish the desired end, and while it was in no sense intended by those who supported the bill to be an approval of the disgraceful syndicate bond deal with the Administration of last winter, it will be treated by the public at large as a legislative ratification of that scandalous transaction.

transaction.

Third. I am a Republican, and believe that this Government should raise its revenue for the expenses of the Government through tariff duties levied upon imports, and not by borrowing money. The Republican policy is, and always has been, to make the Government self-sustaining by levying adequate tariff duties to produce sufficient revenue, and at the same time to protect American industries and American labor. If the Administration had done this instead of devoting its energies to producing a tariff for deficit only, and in the further endeavor to forever clinch the had done this instead of devoting its energies to producing a tariff for deficit only, and in the further endeavor to forever clinch the gold standard upon this country, the President would not now find himself in the humiliating attitude of begging his British friends on both sides of the water for a loan of \$200,000,000 of gold to preserve the nation's credit. I firmly believe that a very large majority of the American people, irrespective of their place of habitation, are irrevocably opposed to any policy which makes it necessary for the Government to borrow money in times of peace. Fourth. On the 26th day of December, 1895, we passed a revenue bill which we were assured by the Ways and Means Committee would produce \$40,000,000 per year additional revenue. I presume the Ways and Means Committee, composed of able, well-informed and honorable members, are reasonably accurate in that estimate.

the Ways and Means Committee, composed of able, well-informed and honorable members, are reasonably accurate in that estimate. If that estimate be correct, then there is no need of giving the Secretary of the Treasury additional or any authority to borrow money, for it will give us a surplus, instead of a deficiency. I voted for the revenue bill as an emergency measure, not as expressing the Republican idea of protection.

Fifth. In my judgment the policy involved in the bond bill is not a Republican policy and never has been. No national Republican platform ever contained a declaration which could be construed or distorted into an approval of the principles contained in that

or distorted into an approval of the principles contained in that bill. I do not believe that any Republican convention in any State or Congressional district within the limits of the United States ever made a declaration which could be construed as authority for

the framing of this bill and its presentation as a Republican measure by the Ways and Means Committee. The bill was not even submitted to a caucus of the Republicans of this House. It therefore came into the House, not as a Republican measure, but as the individual opinion of the individual members of the Ways and Means Committee who voted for it. There was, therefore, no political obligation on any Republican to support the bill.

Sixth. We were asked to support the bill by its advocates not

only as a party measure, but we were appealed to in the name of patriotism to respond to the call of the President for aid, and yet before the vote was taken on the bill the President's Secretary of

patriotism to respond to the call of the President for aid, and yet before the vote was taken on the bill the President's Secretary of the Treasury announced that hedid not want the bill. He wanted gold bonds or none. We were told that there was a crisis; that the credit of the nation was menaced; that the prompt passage of this bill was essential to maintain it, and this plea was made in the name of patriotism.

It seems to me that, under the circumstances, with which every man in this House was familiar, that plea was, to say the least of it, decidedly absurd, for this reason: Let it be admitted, for argument's sake alone, that this fearful crisis was staring us in the face, and that the bond bill was the perfection of human wisdom and the only possible solution of the difficulty. What could be accomplished by the passage of the bill through the House? Everyone knew that the bill would go to its defeat in the Senate, and therefore this wonderful panacea for all ills which the Ways and Means Committee had evolved would fail to perform the wonderful cure it was intended to perform. We were therefore inderful cure it was intended to perform. We were therefore invited, in the name of patriotism, to do a vain and useless thing; to vote for a measure that both we and our constituents were opposed to, and which could not, under any circumstances, become a law. In short, in the name of patriotism we were invited to but our heads against a stone wall for the dear privilege of learning how many of us could possibly survive the shock. The bill ought never to have been presented to the House, and it is a matter for general congratulation that when it reaches the Senate it will certainly go to its death.

The Coin Redemption Fund.

REMARKS

HON. CHARLES H. YOAKUM,

OF TEXAS,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. B. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

Mr. YOAKUM said:

Mr. YOAKUM said:
Mr. SPEAKEE: We need no more bonds. They mean burden and poverty. The power to issue bonds exists in law, to the sorrow of our people. The proposition to reduce the rate of interest is not calculated to deceive anyone with a memory.

In the Fifty-third Congress the great syndicate proposed to accept bonds at 3 per cent interest if Congress would insert "gold" where "coin" occurred.

When the Republican party say coin, it means gold. Its great leader in the Senate from Ohio, while Secretary of the Treasury, declared our obligations payable in coin should be paid in gold, and even declared any other payment would be dishonest.

Mr. Payne of New York, a member of the Ways and Means Committee, says the Administration is opposed to this bill, that they want to retire the greenbacks, and yet in the next breath he says this bill is in response to the appeal for relief by the President. Thus the good faith of the authors is impeached by a member of the Committee on Ways and Means, and thus they snub the President and consume the time of this expensive body in discussing a measure that they know can not and will not become a law. Instead of the Department demanding this character of legislation they are actually protesting against it. Furthermore, no reasonable ways can entired in the the President in his greetil was

they are actually protesting against it. Furthermore, no reasonable man can seriously insist that the President in his special message wanted any power to issue bonds—that power has existed by express statute for twenty years, and has been exercised during

that period.

This bill does not repeal or in any manner affect the acts of 1870 and 1875, under which all our outstanding bonds were issued; in fact, it recites that "in addition to the authority now conferred on the Secretary of the Treasury under the act of 1875." Thus we are to have two laws to facilitate the issuance of our interest-bearing obligations. Under the act of 1875 bonds could be negotiated at 4, 4‡, or 5 per cent, at such a premium that would reduce the

actual interest to 3 per cent. Therefore the proposed reduction of the rate of interest in the first section of this bill can not confer any benefit to the people and has nothing new in it that confers any additional power upon the Department that calls for help. Sir, it is a mere mockery, that will be understood by those who sent us here to protect their interests financially and commercially. An analysis of the message will show that if we can not agree to overhaul and remodel our entire financial system that the only help now expected from this body by the President is simply a declaration by us in this panicky and feverish condition of the country that the dignity of the Government will be maintained, and all its obligations now in existence or to be contracted shall be paid in the best money "current at the world's counter," which he contends is gold. After deploring the evils in the present system of finance in his message, he says: of finance in his message, he says:

The real and sensible cure for our recurring troubles can only be effected y a complete change in our financial scheme.

Is a law conferring power to issue bonds or the mere reducing the rate of interest on the issue a complete change in our financial scheme, or is the provision for the sale of bonds in our own country a complete change in our financial system? If so, we must admit that the bill presented here and urged by the Republicans in response to the demand of the Precident, otherwise. licans is in response to the demand of the President; otherwise it

licans is in response to the demand of the President; otherwise it is a mockery, and its authors know it.

The second section of this bill provides for the issuance of a class of bonds heretofore unknown in the history of our country, that is, to pay deficiencies. They have measurably relieved it of its repugnant sound by calling them certificates of indebtedness instead of bonds, but, mind you, they draw interest at the same rate as the bonds provided for in the first section, and are only "to be issued for temporary deficiency now existing or which may hereafter occur." Now, by reference to page 52 of the report of the Secretary of the Treasury it will be seen that from July 1, 1893, to December 1, 1895, there is a deficiency of \$130,000,000.

Thus the issue of these harmless certificates will only reach that small amount which is very little short of the entire bond issue of the present Administration, which has been deprecated by the Republicans to-day with so much eloquence and patriotic fervor.

publicans to-day with so much eloquence and patriotic fervor. Therefore, sir, we are being pulled over the hill and are just heaving in sight sufficiently that we can see the future of this country ing in sight sufficiently that we can see the future of this country and make a reasonable estimate of the proposed legislation of the Republican party added to the recommendation of our President; that is to say, that the bonds which we now owe are simply \$650,000,000, and to retire paper money \$500,000,000, and under this bill \$150,000,000. We will be blessed with a bonded debt of \$1,300,000,000. At an average rate of 4 per cent interest, which will be more burdensome than that imposed by the Fifty-first Congress, and for which the people indignantly smote the Republican party, sir, the President is not alone in the belief that the present mone tary system has to be overhauled and a complete change had, but tary system has to be overhauled and a complete change had, but if no other change is to be made than that embodied in this bill, then the change is not radical enough to satisfy the people.

I reflect the sentiments of my district, and I believe of the whole

I reflect the sentiments of my district, and I believe of the whole State of Texas, when I say that we are opposed to the issue of national bonds of any size, of any kind or character, or of any rate of interest, or under any circumstances in time of peace.

And, further, that as long as we have gold or silver to pay our interest-bearing obligations and redeem our paper money there is no law authorizing the issuance of a bond. To-day, sir, we are confronted with a deficiency, while there lie idle in the Treasury \$349,000,000 in standard silver dollars, and a negotiation pending to borrow \$100,000,000 in gold. Why should we borrow when we have such a quantity of coin athand? The resumption act passed January 14, 1875, provided that—

On and after January 1. 1879, the Secretary of the Treasury shall redeem

On and after January 1, 1870, the Secretary of the Treasury shall redeem in coin the United States legal-tender notes then outstanding * * and to enable the Secretary to prepare and provide for the redemption in this act anthorized or required, he is authorized to use any surplus revenues from time to time in the Treasury, not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, any bonds authorized by the act of July 14, 1870.

This act in no way authorizes the Secretary of the Treasury to sell bonds for gold while there is in the vaults of the Treasury such a large quantity of silver. This act was passed two years after the demonetization of silver, and it occurred to the Secretary of the Treasury (Sherman) that a bond under the act of 1875 could not be payable in anything but coin, and since silver had been demonetized the gold bond was more desirable; therefore, on April 21, 1877, he wrote to the Attorney-General, in which he said:

It may become important to the public interests to make the new bonds payable in gold coin. Can I stipulate in the body of the 4 per cent bonds about to be issued that they shall be redeemable in coin of the present standard value (under the act of February 12, 1873, demonetizing silver, gold was then alone coin of standard value, and so remained to the passage of the Bland Act in 1878), that is, the standard value at the date of their issue, or must it be at the date of the law?

To which the Attorney-General replied:

It must be the date of the act. It was not intended that this should be varied according to the changes which might be made in the coinage, because a definite rule was given by reference to the coin of a particular date. That

which will pay the bonds heretofore issued under this act will pay the bonds which you may hereafter issue.

Thus the head of the legal department of the nation decides that bonds hereafter issued, like those heretofore, can be paid off in silver as well as gold. But Mr. Sherman was satisfied that the construction of the Attorney-General was correct and the law would have to be amended before a bond payable in gold could be issued; hence in December, 1877, he recommended to Congres

That an express exception shall be made requiring that gold coin alone shall be paid for principal and interest on bonds issued to the public creditor since February 12, 1873, the amount of which is \$202,900,700.

To this recommendation the Senate of the United States re-

plied by a resolution, as follows:

plied by a resolution, as follows:

Resolved, That all the bonds of the United States issued or authorized to be issued under the said acts of Congress hereinbefore recited are payable, principal and interest, at the option of the United States, in silver dollars of the coinage of the United States, containing 412s grains each of standard silver, and that to restore to its coinage such silver coins as a legal tender in payment of such bonds is not in violation of the public faith nor in derogation of the rights of the public creditors.

Pending this resolution, Senator Edmunds offered an amendment substituting "payable in gold or its equivalent, and that any other payment, without the consent of the creditor, would be in violation of the public faith and in derogation of his rights."

This amendment was voted down by a vote of 48 to 18.

The resolution then passed the lower House by a vote of 189

We believe that if the spirit and the letter of the resumption act of 1875 had been adhered to by our Government, and the interpretation thereof by the Attorney-General and the resolution adopted by both Houses of Congress in 1878 had been duly observed, congestion, stagnation, and prostration would not confront us to-day; and we steadfastly believe that a return to that policy that recognizes the equality of both metals in the payment of all debts, public and private, will restore not only contentment but actual and permanent prosperity to the people.

or all debts, public and private, will restore not only contentment but actual and permanent prosperity to the people.

We believe that this change of policy, or, properly, returning to our former policy, should be gradual and not too abrupt. Begin by providing that all paper money hereafter redeemed and reissued shall be paid in equal amounts of gold and silver, as embodied in section 1 of a bill introduced by myself on a former day of this

That all paper money, either greenbacks or Treasury notes, that may be reissued under present laws shall be stamped thus: "This note is redeemable in equal sums of gold and silver, or in United States Treasury notes thus redeemable."

This would recognize 349,000,000 standard silver dollars as real money, and we could pay off at this moment one-half of our interest-

money, and we could pay off at this moment one-half of our interest-bearing debt, which must be refunded, principal and interest, so often as it matures, if it has to be paid in gold, because of our inability to obtain sufficient gold to pay it.

But, sir, I undertake to say that this body will give no relief to the situation. The contrariety of opinion here renders it absolutely impossible for us to agree, and, in fact, no intelligent citizen is looking to the Fifty-fourth Congress for relief. The whole matter is thrown back to the people, and they must settle it in 1896; and if they, by schisms and divisions among themselves, destroy this opportunity, it will only prolong the struggle for freedom from the evils of a bonded debt and a single gold standard.

The Coin Redemption Fund.

REMARKS

HON. WALTER EVANS, OF KENTUCKY,

IN THE HOUSE OF REPRESENTATIVES.

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

and to nationis the issue of certificates of inhest temperary deficiencies of the revenue.

Mr. EVANS said:

Mr. Speaker: Nothing could overcome my extreme reluctance to offer to this House any observations at this early period after my advent into it except an urgent desire to support the action of the majority of the Ways and Means Committee upon this bill. That committee, composed of 11 Republicans and 6 Democrats, has been divided upon this measure by strictly party lines, every Republican upon it favoring the bill and every Democrat upon it opposing it. The Democratic opposition to this measure in this House, as far as I know, is likewise unanimous, and yet I have been astonished, in the progress of this debate, to hear the action of the majority of the Ways and Means Committee stigmatized as Democratic, and my astonishment at this species of opposition to this measure has been all the more marked as we have heard the character of argument urged against it. In order that we

may clearly understand what the bill proposes, it may be neces sary to advert to certain provisions of the financial laws of the Government in relation to its bonded indebtedness, which, while they are well known to the public, seem to have been forgotten in

they are well known to the public, seem to have been forgotten in the discussion of this measure.

The greenback currency, which has received much sentimental laudation in the course of this debate, and for which, indeed, I cherish the highest and most grateful appreciation, because of the great service it rendered the country in time of war as well as peace, had its origin in a condition of affairs which the Supreme Court has adjudged could alone constitutionally excuse its creation. During the war of the rebellion so much was it depreciated in value that a greenback dollar sunk far below par, being at one time worth only 30 or 40 cents on the dollar. The reviving prosperity of the country after the war had closed rapidly appreciated the value of the greenback dollar, and farseeing financiers among the great Republicans of that day knew it was necessary that that currency should be brought to par if our financial condition was to be either sound or stable. The only way to do this was to provide authoritatively for its redemption in coin upon presentation at the Treasury. Pursuant to this wise policy, and to carry it into effect, the Congress of the United States, in spite of a Democratic opposition as unreasonable as that which is offered to the pending bill, and with the approval of President Grant, enacted the law of January 14, 1875, providing for the resumption of specie payments four years later. By the third section thereof it was provided that—

On and after the let day of January A. D. 1879, the Secretary of the Treasury of the Tre tion thereof it was provided that-

tion thereof it was provided that—
On and after the 1st day of January, A. D. 1879, the Secretary of the Treasury shall redeem in coin the United States legal-tender notes then outstanding on their presentation for redemption, at New York, in sums of not less than \$50. And to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus of revenues. from time to time, in the Treasury not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," with like qualities, privileges, and exemptions to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purpose aforesaid.

By the act of July 14, 1870, referred to in the resumption act the

By the act of July 14, 1870, referred to in the resumption act the Secretary of the Treasury was authorized to issue two hundred millions of 5 per cent ten-year bonds, three hundred millions of

milions of a per cent ten-year bonds, three hundred millions of fifteen-year 4½ per cent bonds, and one thousand million thirty-year 4 per cent bonds, one thousand five hundred millions in all, and all expressly payable "in coin," and all for the sole purpose of redeeming some five hundred million greenbacks.

After the passage of the resumption act the contraction of the currency, by reason of the coming into the Treasury of large amounts of the greenback circulation which were retained and not paid out, was very great (bringing them down to some \$346,-000,000), so much so indeed as to alarm some of the timid financiers of the country, and the result was the passage of the act of 000,000), so much so indeed as to alarm some of the timid financiers of the country, and the result was the passage of the act of May 31, 1878, to prevent the further retirement or cancellation of the greenbacks. The terms of that act were—

the greenbacks. The terms of that act were—
That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury, or other officer under him, to cancel or retire any more of the United States legal-tender notes. And when any of said notes may be redeemed or be received into the Treasury under any law from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be reissued and paid out again, and kept in circulation: Provided. That nothing herein shall prohibit the cancellation and destruction of mutilated notes and the issue of other notes of like denomination in their stead, as now provided by law.

These statutory enactments have continued to be the law of the country from those times until now, and they are yet the sole and only statutory laws in force upon the subject. From 1875 until 1893, while the Republicans had entire or partial control of the Government, in no single instance was it found necessary or was it even contemplated by the Secretary of the Treasury to issue any of the bonds provided for by the resumption act for the purpose of taking care of the redemption of the greenback currency. Republicans believe to-day, as they have always believed, and as fifteen years of good management demonstrated, that if the revenues of the Treasury was the contemplated by the Government of the contemplated by the contem ary were sufficient to meet the expenditures of the Government there would be no reason for solicitude about the gold redemption fund; that there would be no occasion to so doubt the credit of the fund; that there would be no occasion to so doubt the credit of the Government as that anybody would desire (unless for very special purposes of an occasional nature) to withdraw any gold from the Treasury. But since 1893 the report of the Secretary of the Treasury shows that great deficiencies have resulted annually. To say nothing of the deficiency accruing between March 4, 1894, and the 1st day of July, 1893, the last annual report of the Secretary of the Treasury shows that the deficit for the fiscal year ended July 1, 1894, was \$69.863, 200.58, and the deficiency for the year which and Treasury shows that the deficit for the fiscal year ended July 1, 1894, was \$69,803,360.58, and the deficiency for the year which ended July 1, 1895, was \$42,895,233.18. The daily statement of the condition of the Treasury shows that the deficit since the 1st day of July, 1895, is in the neighborhood of \$18,000,000, or at the rate of over thirty millions for this year, even should there be an improvement between now and the 1st of July, 1896. This deficit has largely resulted from the changes in the tariff laws, which so greatly decreased the income of the Government, and the bill that we passed on the 26th instant it is hoped (if it shall become a law) will prevent the recurring of any deficit from this time on. Coincident with this deficit came the drainage upon the redemption fund.

Mr. Speaker, it was never contemplated that the Government should sell bonds, without special legislative authority, for the purpose of paying current expenses; but it is clear to everybody that the proceeds of the one hundred and sixty-odd millions of dollars of bonds which the Secretary of the Treasury has issued during the present Administration have been for the most part devoted the present Administration have been for the most part devoted to the payment of the current expenses of the Government, represented by this large deficit of one hundred and thirty-odd millions of dollars, and which expenses otherwise would not have been paid. This reduction in revenues, and its concomitant evil, the immense increase of the bonded debt, are to be attributed solely to that bad financial management which under the present Administration has brought about that unfortunate condition of things which led the receive to verthream the last Congress. which led the people to overthrow the last Congress. The consequence is that the President, while now threatening to issue bonds for another hundred millions of dollars, has urged Congress to remain in session, to forego its usual holiday recess, and to speedily and promptly provide some relief for the Treasury. Congress, pursuant to the suggestion, has remained in session, and while the measures that have been proposed by the Republicans of the Ways and Means Committee have not been precisely such as the President desired, nor by any means such as meet the best views or wishes of the Republicans themselves, they are the only ones which seem likely to pass both Houses.

which seem likely to pass both Houses.

The first measure, already passed, will raise the revenue necessary to prevent future deficits, while the pending bill has only four objects in view. They are: First, to authorize the issuing of a bond which will bear less than 4 per cent interest per annum; second, to make clear that there is no intention at present to retire the greenback currency, as otherwise it would have no chance to pass this House; third, to prevent the continuance of those profitable syndicate purchases of bonds, which have created much scandal, and, by requiring the Secretary of the Treasury to advertise all sales of bonds, to give the people and the public everywhere a chance to invest as highest bidders, instead of closing them out in secret deals to syndicate bankers, so much to their profit and so greatly to the injury of the Treasury; and, fourth, to provide for the issue of certificates of indebtedness where the Government, by reason of a deficiency of revenues, is temporarily unable to pay an acknowledged liability. Opposition to a measure which has only these objects in view is most remarkable and inexplicable to as inexperienced a member of this House as I am. Much of that opposition seems to be based upon the notion (how Much of that opposition seems to be based upon the notion (how derived it is impossible for me to imagine) that the provisions of the first section of the proposed legislation require and command the Secretary of the Treasury to issue in time of peace additional bonds bearing 3 per cent. But the most casual reading of the bill will demonstrate that there is not the slightest occasion for any notion of that kind.

will demonstrate that there is not the slightest occasion for any notion of that kind.

The Secretary of the Treasury has the power, under the resumption act, to issue one thousand five hundred millions of bonus of the United States, all payable in coin, to maintain the redemption fund in the Treasury, subject to credit by the number of bonds that have been issued during Mr. Cleveland's Administration. It requires no additional legislation to enable him to do this. The whole object of this phase of the bill is to add to former laws so as to provide that when, in the exercise of previously given powers, he does issue bonds, he shall have the power to issue 3 per cent bonds instead of bonds bearing a higher rate of interest. Gentlemen seem to forget that the issuing of bonds is but another form of borrowing money for the purposes of the Government, and strange as it may seem, opposition is manifested to a proposition to authorize the Secretary of the Treasury to borrow that money at 3 per cent if he can get it, instead of at a higher rate.

Inquiry is made as to why we should not substitute this act for the previous laws, and thus to limit the power of the Secretary in borrowing money to 3 per cent interest. But gentlemen forget that it might be impossible, when the Government most needed money, and especially gold coin for redemption purposes, to borrow at that figure, although the law requires that the bonds shall be sold at not less than par, and the result would be if money was post obtainable for the prepare specified in the act at 3 per cent

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True the Secretary now can sell the bonds at a premium, and in

this way to some extent reduce the rate of interest, but if we are

this way to some extent reduce the rate of interest, but if we are to continue year by year to have a large deficit in our revenues it will not be long until we can not sell 4 per cent bonds of the United States at a premium. I have too much respect for anyone who shall become the incumbent of the great office of Secretary of the Treasury to believe that he will so far differ from all of his predecesors, whether of one party or another, in honesty, in patriotism, and in an earnest desire to creditably fill the great office he holds, that if he can borrow money at 3 per cent he will decline to do so and pay a higher rate of interest. No man who has ever held that office has been of such a mold as to yield to any temptation to pay the highest interest when he can borrow at a lower, no matter whether he belonged to one party or the other, and I believe he should be invested with the discretion given by law.

Objection is made upon the part of some, and especially of those speaking for the Administration, that the law now proposed does not make the bonds payable specifically in gold coin. The gentlemen will remember, or ought to remember, that every statute of the United States upon the subject of issuing bonds, as well as the resumption act itself, is worded precisely as this proposed bill is worded in that respect, and provides that the bonds should be payable "in coin," and that the greenbacks shall be redeemed "in coin." I, for one, believe that this means gold coin. It has always been so construed by the Government, and could have meant nothing else at the time. I believe that the Government will ultimately pay and should pay every one of these bonds in gold coin or its full and accepted equivalent, and not in depreciated silver, but it might discredit (and the argument is used with much force that it would discredit) all previous issues of bonds of the United States issued under the resumption act to make new ones payable in gold coin. Should we now, for the first time, discriminate against them in the langua

be the language of an honorable Government.

Apprehension has been manifested, and most unnecessarily and without any sort of ground for it, that this bill would result in the retirement of the greenbacks, but the least attention to the real legislation proposed will show that it leaves untouched the act of May 31, 1878, which has been read, and which absolutely forbids May 31, 1878, which has been read, and which absolutely forbids the retirement of a single one of the greenback notes. The pending legislation not only does not propose to retire them, but language as explicit as it is possible to use forbids their retirement. This is the purpose of the bill, although the time will, in my judgment, soon approach, especially if we continue to have a deficit and continue to issue bonds to keep up a consequent depletion of the redemption fund, when it will be absolutely necessary to consider whether the greenbacks should not be gradually retired in a period of say five or ten years, but whatever may be our individual views upon that subject this bill contains no sort of suggestion or requirement in that direction.

or requirement in that direction.

If this bill contained no other provision than the one which requires that the Secretary of the Treasury shall hereafter advertise any proposed sale of bonds, that alone ought to entitle it to the support alike of every Republican and every Democratic member this House

It is somewhat astonishing that more public scandal has not resulted from the syndicate operations, by which certain private individuals profited so much at the expense of the Government.

the certificate himself, in order to pay him the Secretary of the Treasury is authorized to sell the certificates and thus provide the cash means of doing so. This is the manifest effect and object of the second section. These certificates of indebtedness are not authorized, except when there is a deficiency of the revenue to pay current expenses of the United States. It is a just, reasonable, and wise measure, to which no one ought in seriousness to

object.

Mr. Speaker, this bill, as I have read it and analyzed it, has no politics in it. It is founded in its entirety upon plain common sense business principles. It takes sharper eyes than mine to discover any politics in the bill, however much of the play of politics there may be around the opposition to its passage. But because it is a business proposition, because it provides, in my judgment, a wise enactment, because I believe the officers of the Government ought to be allowed, if they can, to borrow money at 3 per cent ought to be allowed, if they can, to borrow money at 3 per cent instead of a higher rate, because I believe that secret syndicate transactions in bonds ought to be discountenanced, as tending too transactions in bonds ought to be discountenanced, as tending too much to bring the officers of the Government into great stock-jobbing operations, and because I believe that long before the Government has issued as large an amount of bonds as is authorized by the resumption act, the necessity for taking care of, or indeed for having a gold redemption fund, will be past or removed by wiser financial legislation, I most cheerfully support this bill, and upon these grounds offer a word in vindication of the action of the Republican majority of the Ways and Means Committee, although myself wishing that the resumption act itself had required all bonds to be payable in gold coin, and have thus saved a great deal of unforeseen trouble. But as the other bonds issued for the same purpose are payable in coin, these should read the a great deal of unforeseen trouble. But as the other bonds issued for the same purpose are payable in coin, these should read the same way; otherwise, if a 4 per cent redemption fund bond is issued it will be payable "in coin," while the 3 per cents issued for the same purpose would be payable "in gold coin." While this might please some, the practical judgment, indeed knowledge, of the committee was that it was impossible for it to passible to the payable that the payable is the payable to the payable that the into law in that shape, and that it was better not to attempt it, and thus sacrifice to the impracticable the other valuable features embraced in the proposed act.

The Coin Redemption Fund.

REMARKS

HON. GEORGE W. HULICK,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. HULICK said:

SPEAKER: I shall vote for the bill now under consideration, Mr. Speaker: I shall vote for the bill now under consideration, not because it commends itself to my judgment as being the very best measure of relief possible, but because it is a step in the right direction, and under the circumstances, in view of the deplorable condition of our national finances, possibly all that can be done at this time. On principle I am opposed to issuing the bonds of the Government in times of peace. There would be no necessity for it if the party in power would in good faith carry out even the Democratic principle of a tariff "for revenue only"; but to raise revenue sufficient to pay the current expenses of the Government, the interest on the public debt, pensions, etc., a tariff sufficiently high would have to be levied on imports which would result incidentally in protection to American labor and tariff sufficiently high would have to be levied on imports which would result incidentally in protection to American labor and encouragement to American industries. This the Democratic party will never permit, so prejudiced are they against anything and everything that savors of protection. They had full control of the Government in the Fifty-third Congress, and placed upon the statute book a law that has utterly failed to produce sufficient revenue, so that President Cleveland, under the act of 1875, to provide for the resumption of specie payments, has issued bonds of the Government for \$182,000,000, paying 4 and 5 per cent interest thereon, and on which was realized the sum of over \$182,000,000.

Notwithstanding this vast sum has been poured into the Treasury, the gold reserve fund of \$100,000,000 has melted away so that to-day there remains less than \$65,000,000 to the credit of that fund. The statement of the Secretary of the Treasury this morning than the statement of the secretary of the Treasury to the fiscal ring shows an excess of expenditures over receipts for the fiscal year of over \$15,000,000. This, Mr. Speaker, is the unfortunate condition in which we find our finances to-day. What ought to be done? Aye, what can be done? is perhaps the better way to put the question, because the Republican party, as represented on this

floor, can not get what we would like to have; we can not legis-

late as the best interests of the people demand.

The adoption of the bill now under consideration is, therefore, in my judgment, the best that can be done under the circumstances. Now, what is the purport of this bill? It has two objects in view: First, to maintain and protect the coin redemption fund; and second, to authorize the issue of certificates of indebtedness

to meet temporary deficiencies of revenue.

Under the resumption act of 1875 the Secretary of the Treasury is authorized to issue bonds of the Government at 4 and 5 per cent and to run from ten to thirty years. Under this bill interest must and to run from ten to thirty years. Under this bill interest must not exceed 3 per cent per annum, payable semiannually, and the bonds to be "redeemable at the pleasure of the United States in coin after five years from their date, and payable in fifteen years from their date"; thus placing on the market a bond at a lower rate of interest and upon a shorter time to run. In this same section there is another year, important provision, in the section there is another year, important provision, in the section there is another year. tion there is another very important provision, in view of what the President and Secretary of the Treasury did last February in negotiating the secret sale of the sixty-two millions of bonds to a foreign syndicate. Under this bill such a reprehensible sale can not be made, and it also prohibits such a contract under the act of 1875. It provides that under this act and under the act of 1875 the Secretary "shall advertise the same and authorize subscriptions therefor to be made at the Treasury Department and at the subtreasuries and designated depositories of the United States"; thus affording to the American people an opportunity to invest American capital in American securities. Do we hear anybody object to this? Yes, I regret to say. We hear it on the floor of this House of Representatives, and the same sentiment is echoed from the White House. Let us pass this bill and forever prohibit by law the secret sale of our bonds to foreign syndicates reaping millions of profits to the exclusion of American capitalists.

cond section of the bill provides for issuing \$50,000,000, payable in three years, at 3 per cent per annum, of the denomination of \$20 or multiples thereof, payable at the Treasury of the United States and at such post-offices as the Secretary may select. This, Mr. Speaker, is getting near the people—within their reach. Twenty-dollar Government bonds for sale at your post-offices. Scattered all over the United States are many thousands of people who would gladly invest their small earnings in these securities. There are trust funds, guardian funds, corporation funds, individual funds—every description of funds in every bank and depository in this country, amounting to millions, that are now idle, drawing no interest, that would flow into the United States Treasury, and

Mr. Speaker, I hear it said by those who oppose this bill—notably, the learned gentleman from Georgia [Mr. Crisr], the leader of the minority—that this bill proposes to retire the greenbacks and thereby contract the currency. Certainly no graver error could be indulged in by the opponents of this measure. If I could be convinced that the greenbacks would be incorrectly I could be convinced that the greenbacks would be permanently retired if this bill were to become a law I should vote against it. I don't think the Treasury notes should be withdrawn from circulation. The eminent chairman of the Ways and Means Committee, who drafted this bill, said in his speech on yesterday that the greenbacks would not be retired, that the currency would not be contracted, if this measure is adopted. In fact, Mr. Speaker, the language of the bill is so explicit on this point that there can

be no mistake about it.

It is true that this bill provides that "the Secretary of the Treasury shall use the proceeds thereof for the redemption of United States legal-tender notes and for no other purpose," but it further provides that "nothing in this act shall be construed to repeal or modify" an act to forbid the further retirement of the United States legal-tender notes, passed May 31, 1878. Let me call the attention of the House to the language of that act of 1878, which is plain and unequivees! which is plain and unequivocal:

That from and after the passage of this act it shall not be lawful for the ecretary of the Treasury or other officer under him to cancel or retire any lore of the United States legal-tender notes.

Now, I want to emphasize the following express language of the law and call the attention of those who oppose this bill to this

And when any of said notes may be redeemed or be received into the reasury under any law from any source whatever and shall belong to the nited States they shall not be retired, canceled, or destroyed, but they sail be reissued and paid out again and kept in circulation.

Could language be more explicit than this? They (the green-backs) shall not be canceled or destroyed, but shall be reissued and kept in circulation.

Mr. Speaker, there is no tenable argument against this bill. Is it not true that our Democratic friends oppose it because the Republicans favor it? They are keeping up their reputation for opposing every measure advocated by the Republican party for the last thirty years—opposing, discouraging, tearing down, destroying, and protesting against everything that was for the benefit of the results of antagonism. the people—a policy of antagonisms, and, when for some unaccountable reason, which no man can understand, the Democratic party was placed in full control of the Government, it most signally failed to do one single thing for the good of the people, but on the contrary has emptied the Treasury, run in debt over \$162,-000,000, and had to call on a foreign syndicate of capitalists for a valuable consideration to act as a protectorate over our Treasur

and to assist that party in trying to maintain the national credit.

And at this very hour the Secretary of the Treasury and the President are negotiating another loan of one or two hundred millions from these foreign protectors (?) of our national credit.

Pass this bill and thereby say to the President and Secretary of the Treasury, We have in our country, in the hands of our own people, money enough to take up every bond issued or to be issued—only give them a chance. Send your bonds out to the post-offices all over this country and see whether or not the people haven't money

over this country and see whether or not the people haven't money and patriotism enough to meet the emergency.

On day before yesterday we passed a bill in this House that will yield about forty millions of revenue. It is not what the Republicans wanted, it is quite as much as we can faintly hope the Senate and President will give us, but as far as it goes it will protect the woolgrowers' interests and other industries.

In the fullness of time, however, such legislation will be placed on the statute book that will yield sufficient revenue to pay all the current expenses of the Government, pay all pensions to the soldiers without disallowing or cutting them down, pay interest on Democratic bonds, reduce the public debt, maintain the gold reserve fund, and at the same time will afford protection to American labor, encourage and foster American industries, and again can labor, encourage and foster American industries, and again place our country on the highway of prosperity, as it was when the Republican party turned it over to the present Administra-

The Coin Redemption Fund.

REMARKS

HON. DAVID G. COLSON.

OF KENTUCKY,

IN THE HOUSE OF REPRESENTATIVES,

Monday, January 6, 1896,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. COLSON said: Mr. SPEAKER: The President in his message of emergency to the Congress, says:

I ask at the hands of the Congress such prompt aid as it alone has the power to give to prevent in a time of fear and apprehension any sacrifice of the people's interest and the public funds or the impairment of our public credit in an effort by executive action to relieve the dangers of the present emergency.

The bill just reported by the Committee on Ways and Means and now before the House for consideration, if intended as a response to the President's request, in my opinion, is not such a response as should be given.

not only have no objection to but favor section 2 of the bill, A not only have no objection to but have section 3 of the bill, which authorizes the Secretary of the Treasury, at his discretion, to issue certificates of indebtedness of the United States to an amount not exceeding \$50,000,000, payable in three years after their date to the bearer in lawful money of the United States of the denomination of \$20 or multiples thereof, with annual coupons for interest at the rate of 5 per cent per annum, and to sell and dispose of the same for not less than an equal amount of lawful money of the United States at the Treasury Department, at the subtreasuries and designated depositories of the United States, and at such post-offices as he may select, for the purpose of proand at such post-offices as he may select, for the purpose of pro viding for any temporary deficiency now existing or which may hereafter occur in the current revenues of the Government. The certificates of indebtedness provided for in this section of the bill, being of small denominations and distributed through the post-offices of the country, would afford a safe investment to our own people, especially to that class of our own people who are unable to buy the bonds of the Government of larger denominations and who desire to invest without delay for a short time any funds they may have idle. These certificates will also invite from its they may have idle. These certificates will also invite from its hiding place much of the yellow metal now in demand and so much needed by the Government and which for years has been hidden away in private places of deposit because of lack of confidence on the part of the owners in the banking institutions of the country. I believe that the power which this section confers upon the Secretary of the Treasury is such as he should have, because it is not always possible to anticipate and provide for every expense of the Government, and deficiencies are liable to occur, to provide for which this section of the bill gives the power by selling a form of certificates of indebtedness which the great mass of

the people can readily absorb at any time the Government may

desire to secure the loan.

The people of this country have confidence in the ability of the Government to redeem or make good its obligations, and I believe that not only the confidence of the people but their patriotic impulses would cause them to come to the support of the Government by absorbing these certificates of indebtedness at any time the Government might be required to issue them to provide for any temporary deficiency in its revenues. I believe that every act authorizing the issue by the Government of certificates of indebtedness or bonds for any purpose should require that such certificates or bonds for any purpose should require that such certificates. edness or bonds for any purpose should require that such certifi-cates or bonds should be issued in sums of \$20 or multiples thereof, so that a larger number of our citizens could share in the benefits resulting from the investment of funds in the Government securities. Only a small per cent of our people can purchase Government securities of the denominations of a thousand dollars or more; a much larger per cent of our people can purchase Government securities of the denomination of \$20 or small multiples thereof. Itshould be as easy for any citizen who has \$20, \$40, \$100, or \$200 to invest it in a Government security as it is for a citizen who has \$1,000 or \$50,000 to do so. Section 2 of the bill is a recognition of this principle, and this is one of the facts that commend it to the favor of this House. The purpose for which this section is intended is clear and explicit, and there can be no misapprehension of its purpose, and that purpose being right and proper, I give

this section of the bill my hearty support.

Now, Mr. Speaker, as to the first section of this bill. What are the conditions which make it necessary for the Government to

Now, Mr. Speaker, as to the first section of this bill. What are the conditions which make it necessary for the Government to issue bonds to maintain and protect the coin redemption fund, and who is responsible for the existence of these conditions? Why is it that a "time of fear and apprehension" not only exists to-day but has existed during the last three years? It was not necessary in time of peace under any Administration before the present Democratic Administration or prior to March 4, 1893, for the Government of the United States to issue its bonds to maintain and protect the coin redemption fund of the Treasury. The conditions that have, since the 4th of March, 1893, rendered such action necessary are most remarkable, and the party responsible for their existenceshould be, asitalready has been, condemned by the people. We have here present the living evidence of such condemnation in the shape of an unprecedented Republican majority in this House. Under the Administration of Benjamin Harrison and the laws enacted during that Administration and prior thereto by the Republican party the revenues of the Government were amply sufficient to meet its expenses, and the \$100,000,000 of gold kept as a sacred reserve in the Treasury for the redemption of the greenbacks and Treasury notes was not encroached upon. Labor was employed, capital sought investment in every branch of creative industry, and our people were more prosperous than they knew. At the election of 1892, the Democratic party, having beguiled the people with the cry of tariff reform and having insisted that the masses were being robbed to enrich the few by tariff taxation, was put in control of both branches of the legislative department of the Government and the Chief Magistracy of the nation, an event which carried with it a responsibility which the Democratic party was ill prepared to assume.

It was the first time in more than thirty years that the Democratic party was ill prepared to assume.

was ill prepared to assume.

It was the first time in more than thirty years that the Democratic party had the power to enact a law affecting national affairs. Swift upon its accession to power it proceeded to inaugurate its tariff reform by repealing the McKiniey tariff law, which afforded ample revenues to the Government and gave protection to American interests and American labor, by enacting what in the House was called the "Wilson bill," and which as amended in the Senate was called the "Brice-Gorman-Wilson tariff bill," and which by Mr. Cleveland, the occupant of the White House, because of the incidental protection given by its Senate amendments to a very

Mr. Cleveland, the occupant of the White House, because of the incidental protection given by its Senate amendments to a very few industries, was denounced as an act of "party perfidy and party dishonor," and which, considered in the light of results, had more appropriately been called "An act to create a deficiency in the public revenue and make it necessary for the Secretary of the Treasury to sell the bonds of the Government worth \$1.18 in the open market for \$1.04 in a private deal with a bond syndicate."

The report of the Secretary of the Treasury shows that during the first fiscal year of Mr. Cleveland's Administration, ended June 30, 1894, the expenditures of the Government exceeded its revenues by \$69,803,260.58, and for the fiscal year ended June 30, 1895, by \$42,805,223.18, making a deficit of more than \$112,608,483.76 for the two years. The Wilson tariff law falling to provide a sufficient amount of revenue to meet the expenses of the Government the hundred million dollars of gold held in the Treasury as a fund for the redemption of the greenbacks and Treasury notes was difor the redemption of the greenbacks and Treasury as a tund for the redemption of the greenbacks and Treasury notes was di-verted from its intended purpose and used to meet the ordinary expenses of the Government. This raid upon the gold reserve had the effect of intensifying the distrust in the business world that began with the election of Mr. Cleveland as President of the United States and a Democratic Congress in 1892, with the result that the banking institutions of the country, in order to fortify themselves against the extraordinary demands that accompany business panics, declined to make further loans, increased their gold reserve by converting their greenbacks and Treasury notes which they received in settlement of their claims against their debtors into gold by having them exchanged for gold at the Treasury of the Govern-

To meet this demand for gold upon the Treasury the Secretary of the Treasury has issued and sold bonds of the Government to the extent of \$162,000,000 since the 4th of March, 1893, and bonds worth \$1.18 have been sold at \$1.04. The deficit of more than \$112,000,000 which existed on the 30th of June, 1895, has increased enormously, and is at present increasing at the rate of four or five million dollars a month, and the consequent stream of gold which has been kept flowing into the Treasury and credited to the fund maintained to redeem the greenbacks and Treasury notes has steadily been withdrawn from that fund to meet the current expenses of the Government. This condition is intensified by the fact that the greenbacks and Treasury notes which the Government is pledged to redeem in coin and which it is the Government's policy to redeem in gold if the holder so demands, which policy meets with my approval, as soon as so redeemed have to reissued under the existing law, and as soon as so reissued are again used to withdraw the gold from the Treasury. It is to meet this condition that the President asks Congress to take some action. I do not believe that section 1 of the bill now under consideration meets the condition.

meets the condition.

The Secretary of the Treasury, under his construction of the act of January 14, 1875, now has the power to sell 4 per cent or 5 per cent bonds to replenish the gold reserve. It is claimed by gentlemen who have spoken in advocacy of section 1 of the bill before the House that as it authorizes the Secretary of the Treasury to sell 3 per cent bonds to replenish the gold reserve, its passage would result in a saving to the Government. In this they are mistaken, because if, when bonds are sold, money can be had for 3 per cent, a 4 or a 5 per cent bond can be sold on a 3 per cent basis, and net as much to the Government as a 3 per cent bond sold at par. This section provides no solution of the financial difficulty confronting the nation. It does not go to the root of the evil, as the bill we pass should do. It contemplates a continuation of the disastrous policy pursued by the present Administration, and if it had been submitted to a caucus of the Republicans of this House would not have been approved by it in its present shape.

submitted to a caucus of the Republicans of this House would not have been approved by it in its present shape.

We have in this country a circulation which is barely ample to meet the requirements of trade, and I am opposed to any form of legislation that looks to a contraction of the currency. I would prefer to see some legislation that would provide for a gradual increase in the money of the country, providing always that every dollar of our currency is kept as good as any other dollar. I had hoped that the Committee on Ways and Means would report a bill that would put an end to the embarrassment now being caused by the constant presentation of our greenbacks and Treasury notes at the Treasury for redemption in gold. I am opposed, however, to the retirement of the greenbacks and Treasury notes unless some other form of currency is provided to take their place, because such contraction of the currency would result in additional distress to the people. If the responsibility of maintaining a current redemption could be obviated, I would be glad to see all currency issued by the Government itself, but as no provision has ever been suggested for this, as it seems necessary for currency to be based upon some form of bond payable in future I would favor any legislation that would retire the greenbacks and supply their places with some form of national currency.

It is my opinion that the bonded debt of the Government should not be increased in time of peace, but that, on the contrary, the bonded debt created in time of war should be paid as rapidly as possible. Such has been the policy of the Government as administered by the Republican party. From the close of the late civil war to the beginning of the present Democratic Administration the bonded debt of the Government was constantly reduced, the total reduction being about \$2,400,000,000. The Democratic

It is my opinion that the bonded debt of the Government should not be increased in time of peace, but that, on the contrary, the bonded debt created in time of war should be paid as rapidly as possible. Such has been the policy of the Government as administered by the Republican party. From the close of the late civil war to the beginning of the present Democratic Administration the bonded debt of the Government was constantly reduced, the total reduction being about \$2,400,000,000. The Democratic party, reversing this policy, has, since the 4th of March, 1893, increased the bonded debt of the Government more than \$162,000,000. Which policy is right? The people of this country have answered this question. What the country now needs is a tariff law which will insure an amount of revenue which, supplemented by the internal revenue, will amply meet the expenses of the Government. This House has passed a tariff bill which, while not such as it would have passed had the committee not been called upon to act with great haste, will, we believe, if it becomes a law, provide ample revenues to meet the expenses of the Government. Having done this, I doubt that we should pass section 1 of this bill, because such action will be regarded by the country as a quasi indorsement by the Republican party of the Democratic policy of increasing the public debt in time of peace, and also, by implication, of the Democratic legislation which caused the deficit I have mentioned, from which our embarrassing condition has arisen. I can not, for this reason, and for the further

reason that it provides no solution of the financial difficulties present or impending, give my support to section 1 of the bill.

I believe this House should pass a bill providing for the issue of

I believe this House should pass a bill providing for the issue of five hundred millions, or as great a sum as might be necessary, of \$1 per cent fifty-year coin bonds, for the purpose of retiring the \$346,000,000 of the greenbacks and \$147,000,000 of Treasury notes issued under the act of 1890, the bonds to serve as a basis for a national currency to take the place of the greenbacks and Treasury notes so retired. Such a law would at once relieve the Treasury of the burden of maintaining current redemption, restore confidence in the business world, and go far toward ending distress among the people. The country expects the House to pass such measures as will deal thoroughly with the evils of our financial system, and it should do so, and put the responsibility of their failure to become laws upon the Senate or the Chief Magistrate of the nation.

The Coin Redemption Fund.

REMARKS

OF

HON. JOHN A. BARHAM,

OF CALIFORNIA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. BARHAM said:

Mr. SPEAKER: I am an American first and a Republican afterwards. The bill which is under discussion is neither an American nor a Republican measure. The first section of the bill is a legislative ratification of all the secret manipulations of Mr. Cleveland and his Secretary of the Treasury with the foreign syndicate, out of which the people lost more than \$8,000,000. If it is intended to deal fairly with the people, why, in heaven's name, was not a plain, ordinary amendment made to the act of 1875 making it necessary to advertise for bids on a sale of bonds and reducing the rate of interest to 3 per cent? Then the American people would be placed upon equal terms with Wall street and Rothschild & Co. It is perfectly apparent that this section is in the interest of these

be placed upon equal terms with Wall street and Rothschild & Co.

It is perfectly apparent that this section is in the interest of these
institutions and people who can control large sums of money and
who are seeking long-time loans. Now, look at the second section
of the bill. It provides for a low rate of interest—3 per cent—
and short-time bonds, made payable in lawful money. It is expected that the people, from patriotic motives, in the case of an
emergency will take these bonds. Why should this discrimination
be made against our people? Why require the people to take lowrate bonds and make them accept in payment lawful money, when
the bonds which it is expected the banks, Wall street, and the
Rothschilds to take are made payable in coin (which means gold,
as construed by Carlisle), and are long-time obligations? No Republican convention ever indorsed such a measure; no Republican
caucus of this House ever indorsed such a measure; no Republican
caucus of this House ever indorsed such a measure. This bill is
the creation of Grover Cleveland. I am not a cold, clammy, Republican Cleveland cuckoo. I am now and always have been
opposed to bond issues in time of peace, and if Mr. Cleveland will
approve the bill which was passed by the House on yesterday no
further emergency legislation will be necessary by this Congress.
The revenues will be amply sufficient for all the purposes of this
Government; and if he sees proper to veto yesterday's action by
this House let him and his party, if he has any left, account to
the people.

This kill is one which is guestrible of more than constant.

the people.

This bill is one which is susceptible of more than one construction even by lawyers. Now, why should we place such a bill in the hands of Secretary Carlisle for construction when all know who have read what he says that he does not know what money:

Before the Chamber of Commerce of New York, in the course of his remarks upon the financial question a few days since, he said:

. The proposition that a promise of the Government to pay money is money is just as absurd as the proposition to deliver a horse is a horse. Yet there are eminent men in public councils who believe that the United States promisory note is actual money.

A greenback is the promissory note of this Government and is a legal tender for debt.

The term "money" is used to designate the whole volume of the medium of exchange recognized by the custom of merchants and the laws of the country. It includes coin, but is not confined to it. Whatever is lawfully current in buying and selling is money.

By universal consent, under the sanction of all courts, the lawful currency of a country, that which may be tendered and must

be received in discharge of a debt, is money. The Supreme Court of the United States and nearly every State supreme court in the Union have so held. From which it follows that anything which this Government makes a legal tender for debt is money, notwithstanding the declaration of our distinguished Secretary to the contrary. Under the Revised Statutes of the United States gold contrary. Under the Revised Statutes of the United Statutes of the U

coins, silver dollars to any amount, silver halves and quarters to the amount of \$5 in one payment, minor coins to an amount not exceeding 25 cents, and United States notes are all legal tenders for debt, and under the decisions of our courts are each and all money. A very elaborate discussion and full citation of authorities may be found in Klauber vs. Biggerstaff, 47 Wisconsin, 557.

The Legal-Tender cases reported in 12 Wallace would be fine reading upon the question of what is money for Mr. Carlisle, who thinks greenbacks are not money. Now, if he does not know what money is, why place in his hands for construction an act the meaning of which is doubtful in the judgment of men who know what words in the English language mean? We all know how he has construed the word "coin." He says it means gold. Anyone who ever looked at the definition of the word "coin" knows that it means a metal stamped and made a legal tender. It means gold to any amount. It means allver dollars to any amount. It means half and quarter dollars to the amount of \$5, and nickels to the amount of 25 cents.

Conditions are bad enough now without placing further and more doubtful and dangerous legislation in the hands of this Administration.

ministration.

The advertisement clause in the bill will not prevent Mr. Cleve-The advertisement clause in the bill will not prevent Mr. Cleveland and his Secretary from violating the statute. You can not prevent larceny by providing in a statute that it is a felony. You may convict and punish the guilty under a statute, but you can not prevent crime by making a law. It was as much a violation of the act of 1875, and no more, to make a secret contract with a foreign syndicate, without advertisement, for the sale of \$163,000,000 of bonds, as it would be to disregard the provisions of this will not the foreign syndicate will be to foreign syndicate. bill; and the sale will be to a foreign combine even though the bill becomes a law. A sale, when made, will be for \$100,000,000 of bonds, and no one but Rothschilds, Belmont, Morgan & Co. will be able to take the bonds. The sale will not be parceled out, but to one syndicate.

The second section discriminates against our people. The bonds are payable in lawful money, while bonds for millions, which will be sold to a foreign syndicate, are made payable in coin. Why discriminate against our people in this manner and expect thereby to arouse patriotic feelings?

Suppose I take a hundred thousand dollars of these certificates. Can I compel the Treasury to take silver for them? Anybody knows that Mr. Carlisle would not accept such a bid. Yet they are payable in silver. I will never support a measure which addresses itself to a patriotic people on such unequal terms.

The Coin Redemption Fund.

REMARKS

HON. WILLIAM F. STROWD.

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, December 28, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. STROWD of North Carolina said:

Mr. SPEAKER: I apprehend that the excuse for the introduction Mr. Speaker: I apprehend that the excuse for the introduction of this bill grows out of the fact that the Secretary of the Treasury, in construing the second section of the law known as the Sherman Act, persists in using his discretion in favor of gold, when the law expressly says he shall redeem these obligations in either silver or gold. And in order to maintain the parity between the two metals he should have treated both as equal in discharging these obligations. Then there would be as great a necessity for a silver reserve as for a gold reserve.

Let him use the discretion the law gives him and coin the silver and pay in whichever metal is most convenient, and the problem is solved. The Treasury will not be looted by gamblers and money sharks.

The trouble is not in the law but in his strained construction of the law. There is no law to keep one hundred millions in gold in the Treasury. If the Secretary would take away this temptation from the money manipulators by redeeming the greenbacks and Treasury notes in silver or gold, whichever is most convenient, and let that be the American policy, he would at once solve these

fiscal problems. Why issue interest-bearing bonds in time of peace? Why not issue legal-tender notes based on the same security as the proposed bonds? Speaking of such notes, one of the wisest men that ever occupied a seat on this floor said, in reference to these same notes:

Mr. Speaker, I hold in my hand a legal-tender Treasury note. It is good money. Good for the farmer, good for the merchant, good for the banker, good for the manufacturer, good for the great plain people. Why is it good? Because every dollar's worth of property and every drop of loyal blood in the patriotic heart of every citizen of this country is behind them.

Then why issue bonds—gold compound interest-bearing bonds—and put a debt upon the country which our children's children will not see paid? Day before yesterday you passed a bill largely increasing the tariff, which is now a tariff for protection. There is no such thing as protection without a protector, and who, let me ask, are the protectors? Some say the consumer, but I say, in its final analysis, it comes out of the farmer. When you speak of business you do not mean farmers or farming. You mean commerce, finance, manufacturing, etc. The great toiling masses are not in it, except about election times.

commerce, finance, manufacturing, etc. The great toiling masses are not in it, except about election times.

This bill is altogether in the interest of the bankers and money classes of this country and England. This and all other laws that have been passed for the last thirty years and more have been in the interest of the wealthy classes, and to the detriment of the laboring classes of this country. It is paternalism of the worst kind. As a Populist, I protest against creating an army of beneficiaries who think that inasmuch as the Government has so shaped its financial policy as to give nearly all the wealth of the nation into their hands, they ought of right to rule it. That their protectors have no rights they are bound to respect. The object benefactors have no rights they are bound to respect. The object of this bond bill is to retire the greenbacks and Treasury notes—to still further contract the currency by hundreds of millions and thereby enriching the few to the utter ruin of that great upper middle class of society which is, and has been in all times, the sav-ing strength of the nation.

They could coin the seigniorage and get the amount of money needed by the Treasury, but they will not do that. They will reject every proposition to raise money that can be suggested or submitted. Nothing will satisfy them but gold bonds. Switzerland is the model Republic of the world. Fifty years ago she faced the problems confronting the poor of the United States to-day. Her patriots were equal to the emergency and established a Government bank. The public credit was printed on notes, and these notes were loaned to the farmers on mortgages, running for thirty years, at 31 per cent interest, the borrower to pay one-thirtieth of years, at 3½ per cent interest, the borrower to pay one-thirtieth of the principal back annually. The old mortgages were taken up; prosperity smiled upon the people; Shylock was banished; usury was impossible, and the little nation went upward and onward to

was impossible, and the little nation went upward and chward to its happy destiny.

To debase silver and exalt gold, and then cry out dishonest dollar, 50-cent dollar, is about on a parity with overproduction and laziness. It is the argument that the highway robber makes to his victim. It is the argument that the wolf makes to the lamb. It is the argument that Amnon made to his sister Tamar when he described here of the victor and then highed here out of the deep.

It is the argument that Amnon made to his sister Tamar when he despoiled her of her virtue and then kicked her out of the door. Suppose gold should receive the same treatment at the hands of the legislative bodies of all civilized nations, what would be the result? Why, a child would know the answer. If the same treatment had been accorded to silver as has been accorded to gold, does not every man in this House know they would be as near on according to the control of the control o

does not every man in this House know they would be as near on a parity as they were prior to 1873?

Whenever silver receives proper legislation at the hands of this Congress it will be upon a parity with gold at any ratio Congress may establish, whether 16 to 1, or more, or less. If the price of gold and silver and the parity between them is maintained by the quantity of each produced, or by intrinsic value, why was it that England's demonetizing silver in 1816 did not degrade it below the price of gold? Why was it that France by having a ratio of 15½ to 1, notwithstanding the fact that England had demonetized it, kept silver at a premium of 3 per cent throughout the civilized world for more than fifty years? All these arguments about parity, cheap money, and dishonest dollars border on the "vulgar confines of sophistry." It is the only argument they have (and that is no argument) to cover the most vicious system of financial laws ever enacted in the civilized world. That system is to exalt the dollar and debase the man; it is a system that enhances the value of money and depresses the prices of property and products; a system that has inaugurated a slavery in the rural districts of this nation among the farmers and laborers, more galling, more cruel, more oppressive than any African slavery that this country ever saw. this country ever saw.

If the demonetization of silver has the same effect in this nato a sit the same effect in this last the same effect in this last tion as it has produced in England it will cause the farmers to lose their homes and make them slaves where they were heretofore masters. When silver was demonetized in England in 1816 she had 180,000 landowners. In less than fifty years four-fifths of them had lost their homes. England to-day has a peasantry too poor and ignorant to rise to the dignity of patriotism, instead of a yeomanry whose manhood and prowess made her the mistress of the world. In an evil hour for old England she yielded to the cry of the money shark, she contracted her currency, making her money too dear for the plain, honest man, and degraded and debased the manhood of her own people so that she never can again reproduce the armies that conquered Napoleon. In an evil hour our own country followed her example; and this bill crowns the climax of a conspiracy which began with placing the exception clause on the greenbacks when the gold gamblers got control of the finances of this country; and I say here and now that every act of Congress passed from that day to this day, namely, the banking act, the act contracting the currency, the public-credit-strengthening act, the act demonetizing silver, the act resuming specie payments, and this present bond bill, which retires all the greenbacks and Treasury notes and increases the public debt hundreds of millions and never-ceasing toil for the laborer and the poor man—a struggle for existence to keep the wolf of hunger and want from his door.

It is estimated that the indebtedness of this country of all kinds, public and private, municipal and corporate, amounts to the enormous sum of \$30,000,000,000,000, the average interest on which is 6 per cent per annum, which amounts to \$1,800,000,000. When we consider that all the corn, wheat, oats, and cotton produced by the farmers and all the gold and silver mined in the United States amounts to only about fourteen hundred millions, the appalling fact remains that after taking nearly everything the farmer and miner produces in this country, leaving nothing for the support of their families, we then fall short of meeting the interest on this

fact remains that after taking nearly everything the farmer and miner produces in this country, leaving nothing for the support of their families, we then fall short of meeting the interest on this indebtedness nearly \$400,000,000 annually.

It is plain that this debt can never be paid. When we take into consideration the further fact that out of the 14,000,000 of homes in this country, 9,000,000 of them are under mortgage, is it not time that this Congress should be considering something else rather than increasing the debt of the nation? It is not the business of Congress to enact laws to enable a few men to live in wealth and luxury and consign the toiling millions to serfdom but to and luxury and consign the toiling millions to serfdom, but to enact such laws as will give every man and every woman and every boy and every girl an open field and a fair chance in the race of life.

The Tariff.

REMARKS

HON. JOHN A. BARHAM,

OF CALIFORNIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency.

Mr. BARHAM said:

Mr. Speaker: It is not my purpose to discuss at length the measure before the House. While it is not all that I desire to advocate and not all that our interests and industries demand, yet it

measure before the House. While it is not all that I desire to advocate and not all that our interests and industries demand, yet it is all that we may expect the President to approve, or, by not approving, allow to become a law. My section of the country and its industries require for successful competition the full restoration of the McKinley tariff on lumber, wool, fruits, butter, and agricultural products. The increase of duty on these articles, as provided in this bill, will, however, place these industries beyond the point of bankruptcy and will enable the people so engaged at least to live until the restoration of the Republican party to power, the inauguration of a Republican President, and the convening of the Fifty-fifth Congress, when, as the country may be well assured, a protective tariff will be fully restored.

The passage of this bill, which is an assured fact, in the speedy manner proposed by the rule which has just been adopted, will reassure the people and inspire them with confidence that the Fifty-fourth Congress means to transact business and not build up politics. The President, in his message, in response to which this measure is introduced, substantially concedes that the revenue raised by the hyphened tariff bill for revenue only passed by the last Congress is wholly and entirely inadequate to suit conditions with which the country is confronted. In fact, we are face to face with a condition, and not a theory. It is true a theory has produced this condition, and not a theory. It is true a theory has produced this condition, and not a theory. It is true a theory has produced this condition, and not a feet of face with a condition, become and in the forman-Wilson bill, are colossal failures which have brought the richest, best, and most productive country on God's green earth to the very verge of financial bankruptcy while having the most wonderful resources and integrity beyond question.

It seems to me that the other side of the Chamber can ill afford to taunt this side with haste and want of due consideration of this measure. The people fully understand the question of tariff this measure. and have in the most emphatic manner passed upon that question through the ballot box. Besides being fully advised, those of them who doubted, in fact denied, the correctness of the doctrine of Republican protection have been educated in the school of experience until they no longer desire discussion. What the people most desire at the hands of Congress is action; and beyond this the received of the Precident in the received of the process of the congress of the process of the proc most desire at the hands of Congress is action; and beyond this the request of the President in his message is so urgent for immediate and speedy relief, he asks us to forego our usual Christmas holiday, to waive our Christmas turkey, that the country may be relieved. In the face of such urgency by a Democratic President it is difficult for a reasonable person to see how the Democrats upon this floor can cry haste upon the part of the Republicans.

The people do not desire further discussion; your side ought to have discovered your error; if not, time and argument will not remove your want of capacity to discover. Yet you argue that if a tariff measure is to be enacted we should enact the McKinley.

a tariff measure is to be enacted we should enact the McKinley bill. We certainly most sincerely thank you for your kind solicitude for what Republicans ought to do. But in so far as I am concerned I reject your advice for a great number of reasons. concerned I reject your advice for a great number of reasons. It is perfectly apparent from your past record and history that your party is a party of errors. It is not advisable to consult error with the hope of getting right. No, the Republican party has always been big enough, broad enough, and had brains enough to meet any emergency. None has ever arisen which was too great for it to overcome, or for which it failed to adopt a full, fair, adequate, and complete remedy. No, we will not follow your advice, for it would be a mistake, of course.

The Secretary of the Treasury has, in the last two and a half

for it would be a mistake, of course.

The Secretary of the Treasury has, in the last two and a half years, sold bonds to the amount of \$162,000,000, from the proceeds of which he has paid out for the current expenses of this Government \$133,000,000. Just so long as there is a deficiency in the revenues which comes to this Government to pay current expenses the "endless chain" will run on, and bond issue after bond issue will be the result. The revenue which will come from this measure will be about \$44,000,000, and thereby the income of the Government will equal its expenditures, and there will be no deficit, and the bond issue will cease. It is useless and idle work at this time to discuss a general protective tariff measure; the people do not desire it, and this Congress will pass this measure, which will meet the present urgent emergency, and delay the consideration of a protective measure until after there is a change of administration.

Bonds, High Tariffs, and Certificates of Indebtedness.

REMARKS

HON. A. M. DOCKERY,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. DOCKERY said:
Mr. SPEAKER: I shall avail myself of the courtesy of the House to state succinctly some of the reasons which impel me to oppose the propositions submitted by the Republican party to meet the exigencies of our Treasury situation. They provide not only for a "horizontal" annual increase of tariff taxation amounting to hour take the court of the court about \$40,000,000, but also for the issue of 3 per cent coin bonds, without limit, to replenish the gold reserve, together with the authorization of 3 per cent certificates of indebtedness not to exceed \$50,000,000 to meet temporary deficiencies in our national

exceed \$50,00,000 to meet temporary denotes in our national income.

It may be well to state that the existing tariff law would probably have met all the requirements of the Treasury but for the unexpected decision of the Supreme Court depriving the Government annually of not less than \$30,000,000 of income tax revenue.

In view of this decision, however, declaring the unconstitutionality of the income tax, the Secretary of the Treasury estimates that the deficiency on account of revenues and expenditures for this fiscal year will amount to about \$17,000,000, and at the close of

this fiscal year will amount to about \$17,000,000, and at the close of the fiscal year 1897 the surplus in the Treasury on the basis of current revenues and liabilities will be about \$7,000,000.

It may be well to state in passing that the deficiency is in no wise due to wanton expenditures on the part of the present Administration. During the fiscal year 1895 receipts were greater by \$15,668,055.86 than during the prior fiscal year; yet the expendi-

tures were reduced by an economical Administration below the previous year in the sum of \$11,329,981.54. Indeed, during the fiscal years 1894 and 1895, as stated by the Secretary of the Treasury, the ordinary expenditures of the Government were decreased by \$27,383,656.20, as compared with the fiscal year 1893. It must also be remembered in this connection that receipts from customs revenue were greatly diminished by the McKinley Act, while expenditures have been greatly increased, largely on account of the legislation of the Fifty-first Congress, commonly known as the Reed Congress. the Reed Congre

The results of dwindling revenues and increasing expenditures were becoming apparent even under the Administration of Mr. Harrison, for during the last four months of his term the expendi-

were becoming apparent even under the Administration of Mr. Harrison, for during the last four months of his term the expenditures exceeded the receipts by \$4,094,021.38.

This deficiency, with others that have followed, was almost solely due to the riotous appropriations of the Republican party. From March 1, 1885, to March 1, 1889, a period covering the four years of Mr. Cleveland's first Administration, the entire income of the Government amounted to \$1,451,660,246.74, while the total receipts from March 1, 1889, to March 1, 1893, under Mr. Harrison, aggregated \$1,539,739,590.38. The entire expenditures for the same periods, exclusive of bond purchases and premiums thereon, were \$1,083,223,202.93 under Mr. Cleveland and \$1,330,394,780.55 under Mr. Harrison. In other words, while the receipts of Mr. Harrison's Administration exceeded those of President Cleveland's by \$88,063,343.84, the expenditures of Mr. Harrison were \$267,171,577.62 greater than those of his Democratic predecessor. The expenditures of the Government leaped from \$318,040,710.66 during the fiscal year 1890 to \$333,477,954.49 in 1893.

It is impossible to state with accuracy what proportion of this increased outlay was due to the legislation of the Fifty-first Congress, but it is known that of the appropriations of the Fifty-second Congress about \$154,000,000 were consequent upon the legislation of the Fifty-first Congress. Moreover, at the close of Mr. Cleveland's first Administration the Democratic party turned over to the Administration of Mr. Harrison, upon the present basis of stating the Treasury account, \$38,827,190.20 of available cash assets in excess of the \$100,000,000 were consequent upon the legislation affairs, and found in the Treasury active party resumed control of national affairs, and found in the Treasury account, \$38,827,190.20 of available cash assets in excess of the \$100,000,000 were consequent upon the present basis of stating the Treasury account, \$38,827,190.20 of available cash assets in excess of the \$100,000,000 holders of national-bank note

The Republican Administration had also defaulted during the fiscal years 1892 and 1898 in the requirements of the sinking fund by an amount exceeding \$40,000,000, and had reduced the disbursing officers' balances available for current expenses from \$47,905,423.80 to \$23,515,033.70 during the four-year term beginning March 1, 1889.

It can not be claimed that the diminishing surplus was due to the purchase of Government bonds, for during President Cleveland's first Administration bonds were retired at a cost of \$360,419,953.11, as against but \$292,963,486.67 used by President Harrison for like purposes. There were also inherited at the time Mr. Cleveland was inaugurated President, on the 4th of March, 1893, outstanding liabilities authorized by prior Congresses amounting to \$96,051,-325.96. These liabilities were to be met by appropriations or expenditures after the close of the fiscal year 1894, the items being as follows:

River and harbor contract liabilities	\$28, 112, 147.00
River and harbor appropriations not to be expended until after close of fiscal year 1894	8,500,288.00
Balance under contracts authorized for Army Gun Factory and heavy ordnance.	5, 596, 000.00
Balance to be appropriated for the Library of Congress under contracts authorised	2, 150, 000.00
Amount to be appropriated under authorized limit of cost for public buildings.	\$9,989,985.77
Amount to be appropriated for light-houses	725, 600. 0 16, 825, 000. 0
National-bank redemption account, July 1, 1804.	15, 263, 473, 20 6, 300, 000, 00
Additional amount to be expended on public works under con- tinuing appropriations heretofore made	7, 150, 558. 0

Total fixed liabilities to be met after the fiscal year 1804.. 96,051,325.96 Total fixed liabilities to be met after the fiscal year 1894... 96,651,325.98

Mr. Speaker, I have felt constrained to make this hurried summary of fiscal affairs, inasmuch as the leaders of the Republican party in the course of this debate have persistently sought to fix the responsibility of the Treasury deficiency upon the legislation of the Democratic party and its national Administration. In the presence of this fiscal exhibit, however, it becomes obvious that the Democratic party is acquitted of responsibility, except in so far as the deficiency results from income-tax legislation, and we have no apologies to offer for our efforts to require the accumulated capital of the country to bear its just proportion of the burdens of Government.

Mr. Speaker, I come now to a very brief review of the so-called remedial propositions submitted by the Republican party. It will not be denied that the Treasury situation, both in respect to current income and the gold reserve, is far from satisfactory, but in order to make an intelligent application of a remedy we must first determine the causes which have depleted this reserve and reduced the revenues. I do not concur in the view that the Secretary of the Treasury should be clothed with power to issue three-year 3 per cent certificates of indebtedness to an amount not exceeding \$50,000,000 to meet temporary deficiencies "now existing or which may hereafter occur." I know that this proposition comes to the House not only with the approval of the majority of the Committee on Ways and Means, but also with the indorsement of the Secretary of the Treasury. That is to say, the Secretary thinks there should be authority to issue temporary deficiency certificates, although there is no existing necessity for such an issue.

My opposition to this proposed legislation rests on the conviction that it will ultimately lead to extravagant appropriations. I think it altogether likely that this authority would be wisely employed not only by the present Secretary but by his successors in office, and my apprehension is not therefore based so much upon a fear that the trust may not be judiciously exercised by the Secretaries of the Treasury, but that it will prove to be a constant menace to the Treasury and lead to deficiencies that would not otherwise exist. There is no influence so restraining upon Congress and more certain to assure economical appropriations than revenues which, while ample for the needs of the Government, are yet not in excess of those requirements. Therefore, it seems to me that the lodgment of this power with the Secretary of the Treasury would likely operate as an invitation to Congress to profligate appropriations in many instances, for should such appropriations result in Treasury deficiencies, the defi

fore be unwise, and if deficiencies occur in the future they should be met from time to time as they occur.

TARIFF TAXATION.

The proposition to increase the burdens of tariff taxation to the extent of about \$40,000,000 annually is wholly indefensible, inconsistent with the public interests, and not demanded at this time by the condition of the Treasury. This bill evidently rests upon the theory that because ordinary current revenues are not sufficient to meet current liabilities additional taxation should therefore be invoked to supply this deficiency, notwithstanding the Government has availed itself of other sources of revenue. It is not demanded by the Administration, but, on the contrary, the able Secretary of the Treasury, in his annual report, clearly shows that there is, and will be, abundant revenues to meet all the obligations of the present and ensuing fiscal years.

The revenues of the Treasury are derived from customs, internal taxes, postal receipts, and certain miscellaneous sources, which the Secretary of the Treasury estimates for the current fiscal year will yield about \$433,000,000, while at the same time he estimates the expenditures at about \$449,000,000, thus leaving a deficit, as heretofore stated, in round numbers of about \$17,000,000.

These are the ordinary resources of the Government, and if this were a complete exhibit of the existing financial situation some additional revenue would undoubtedly be required. But this bill wholly ignores the fact that the Administration has already sold \$162,315,400 of bonds, for which the Treasury realized in cash \$182,288,040.33. These bonds were issued to maintain the gold reserve. The gold realized from their sale has been used to redeem what are commonly known as greenbacks and Sherman notes; but, under the act of May 31, 1878, greenbacks can not be "retired, canceled, or destroyed, but they shall be reissued and paid out again and kept in circulation." The act of July 14, 1890, also provides that the Sherman notes "may be reissued."

Under the

seem that the provision to authorize the issue of 3 per cent temporary certificates would meet all the possible demands of the situation, without the levying of protective tariff duties. Yet this bill not only levies an annual tribute of \$40,000,000 not now needed by the Treasury, but it enables the manufacturers of

this country to exact increased prices upon everything they produce, except, perhaps, the one article of sugar, which I believe is undisturbed by this so-called "emergency revenue bill."

BOND ISSUE

I come now to consider, very briefly, the proposition to authorize the Secretary of the Treasury to sell 3 per cent coin bonds for the purpose of redeeming United States legal-tender notes commonly known as greenbacks. The resumption act of January 14, 1875, authorized the sale of ten-year 5 per cent bonds, fifteen-year 4½ per cent bonds, and thirty-year 4 per cent bonds, for the purpose of maintaining resumption. This bill gives to the Secretary of the Treasury the right to issue a 3 per cent fifteen-year coin bond, redeemable by the United States at its pleasure after five years. It in no wise disturbs the resumption act of 1875, but is, to quote the language of the bill, "in addition" to that already provided by statute.

statute.

Mr. Speaker, I do not and have not favored an increase in the interest-bearing bonded debt of the United States. I do not hesitate to say, however, that if in my judgment such issue were required to maintain the credit, the honor, and the safety of this Government, I would most cheerfully support the proposition. This bill is not necessary to maintain either the honor, the integrity, or the safety of our institutions. It does not relate to certain grave questions which have recently challenged the attention of the country in connection with foreign affairs. I am in hearty accord with the President in his recent masterly exposition of the principles of the Monroe doctrine. If bonds should sition of the principles of the Monroe doctrine. If bonds should become necessary in the future to maintain the supremacy of that doctrine, I should unhesitatingly vote for their issue, for I agree with the President that-

While it is a grievous thing to contemplate the two great English-speaking peoples of the world as being otherwise than friendly competitors in the onward march of civilization, and strenuous and worthy rivals in all the arts of peace, there is no calamity which a great nation can invite which equals that which follows a supine submission to wrong and injustice, and the consequent loss of national self-respect and honor, beneath which are shielded and defended a people's safety and greatness.

Let us not, however, confuse the issue. These bills are not war measures, neither do they relate to any future policy of the Government in respect to the free coinage of silver. These measures simply raise the question as to the proper action to be taken with reference to the existing volume of gold, silver, and paper money. The provision for a new form of bond seems unnecessary and is an additional power given the Secretary of the Treasury, supplementing the resumption act.

Now, then, the question becomes material whether or not it.

Now, then, the question becomes material whether or not it should be granted. The Administration has called upon Congress for relief in the exigency which confronts the Treasury in reference to the gold reserve. This is the issue raised by the President's for relief in the exigency which contronts the Treasury in reference to the gold reserve. This is the issue raised by the President's message and emphasized by the recent interview of the Secretary of the Treasury, in which he asks Congress to authorize the issue of gold bonds. I can not consent that any obligation of the United States should be written in such terms as would exclude silver from an equal responsibility in the discharge of such obligation. I believe in the use of both gold and silver upon equal terms, but I do not intend to discuss that issue here. The questions for impartial consideration at this moment are the causes which have lead to the investor of the gold reserve and the rungelies necessary led to the invasion of the gold reserve, and the remedies necessary tore and maintain it.

to restore and maintain it.

If trade conditions were favorable, I think apprehensions as to the Treasury reserve would quickly dissipate; but the unfavorable business situation prevailing in this country during the last three or four years has resulted in an adverse balance of foreign trade, thus creating an unusual demand for our gold, to settle balances due other countries. This gold has heretofore been supplied in large part by banks and individuals, but under the operations of the Sherman law and the act of May 31, 1878, the Government has been compelled to furnish a large part of the gold required for export. That is to say, these obligations, which under the construction of the Treasury Department are redeemable in gold if demanded by the holder, have been used as vehicles to raid the Treasury. They have constituted the "endless chain" which has despoiled our gold resources. It seems to me very clear, Mr. Treasury. They have constituted the "endless chain" which has despoiled our gold resources. It seems to me very clear, Mr. Speaker, that the difficulty arises from the large amount of uncovered paper which is redeemable by Treasury construction in gold alone. That is to say, we have issued a volume of paper money entirely out of proportion to the primary money held for its redemption.

SHERMAN ACT.

So long as the greenbacks only were in circulation there was no disturbance on this score, and the Treasury reserve was not under the constant menace of invasion. From January 1, 1879,

the date of resumption, until the passage of the Sherman Act, July 14, 1890, a period of nearly twelve years, the total withdrawals of gold from the Treasury amounted to but \$28,250,000. Then the greenback circulation was \$346,681,016, while the gold in Then the greenback circulation was \$346,681,016, while the gold in reserve for its redemption was \$100,000,000. That is to say, there were about \$3 of paper outstanding for every dollar held for its redemption. This was a safe limit, and conclusively established to be such by the limited gold withdrawals to which I have adverted. In an evil hour the Republican party, against the protest of the united voice of the Democratic party, enacted the Sherman law. It was indeed a "cowardly makeshift," and recognized for the first time in our fiscal policy the vicious principles of the sub-Treasury scheme. It was the deadliest assault made in this century by the enemies of silver under the guise of friendship. It dishonored silver by storing it away in the Treasury as merchandise, and issued in payment therefor Treasury notes redeem-

chandise, and issued in payment therefor Treasury notes redeemable on demand in coin; and it conferred upon the Secretary the discretion to pay these notes either in gold or silver, while its author secured the declaration that it was the established policy of the United States to "maintain the parity" between the two metals. This declaration as to "parity" would seem to be somewhat irrogical in the light of subsequent executs incompact the subsequent executs. metas. This declaration as to "parity" would seem to be somewhat ironical in the light of subsequent events, inasmuch as the maintenance of "parity" under this law requires and permits gold payments only. Under this statute \$139,583,280 of Sherman notes were outstanding December 1, 1895, and treated by the Treasury Department substantially as gold certificates, without any provision having been made by the Republican party to redeem such certificates by an increase of the gold reserve. This Treasury construction was prignally made by President Harrison's Treasury construction was originally made by President Harrison's Administration, and the notes, although issued in payment for silver bullion, are, as I have just stated, treated as gold obligations, resting in mid-air, without any sufficient reserve for their re-demption. The greenbacks and Sherman notes outstanding now

amount to about \$485,000,000.

While the Government can easily float \$3 of paper on the basis of \$1 of redemption money, it is unsafe in times of financial peril, such as these through which we are passing, to issue paper currency on the basis of \$5 for every dollar of redemption money. This statement is conclusively demonstrated by the fact that from the age of the Sherman Act until the first of the present month (a little more than five years) the Treasury has been drained of more than \$375,000,000 of gold for redemption purposes. The "endless chain" continues its circle, and something should be done for the relief of the Treasury. To retire the greenbacks, as suggested by the President, seems to be unwarranted, as shown by the official statement of the Secretary of the Treasury, disclosing the meager withdrawals of gold during the long period of years when the greenbacks alone were the only charge against the gold reserve. The cloud upon the financial sky, not perhaps "larger than a man's hand," first made its appearance in October, 1891, after the enactment of the Sherman law. In that month a firm of bankers and brokers in New York, whose names I do not now recall, secured a supply of Sherman notes and presented them to the Treasury Department for redemption, demanding payment in gold. Their demand was complied with, and from that hour, and under that pernicious construction, the habit of raiding the Treasury has grown, until it has become a serious menace to all our material interests.

Shall it be met by a further issue of bonds? To this suggestion I most earnestly dissent. It seems to me that the way is clear. Remove the cause, and the effect will inevitably cease. The cause of existing troubles is in great measure found in the exercise of the discretion by the Secretary of the Treasury in favor of gold to redeem Sherman notes. They were issued in payment of silver bullion. The silver bullion lies stored in our Treasury vaults, and if the Secretary of the Treasury will, pursuant to the authority of section 3 of the Sherman act, "coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the Treasury notes herein provided for," the situation will be greatly relieved. I am sure that the present Secretary of the Treasury would reverse the existing construction, if the matter were presented to him as an original proposition. This opinion rests upon his testimony given before the House Committee on Appropriations January 21, 1895, in

which the following colloquy appears:

Mr. Sinley. I would like to ask you (perhaps not entirely connected with the matter under discussion) what objection there could be to having the option of redeeming either in silver or gold lie with the Treasury, instead of with the note holder?

Secretary Carlisle. If that policy had been adopted at the beginning of resumption—and I am not saying this for the purpose of criticising the action of any of my predecessors or anybody else—but if the policy of reserving to the Government at the beginning of resumption the option of redeeming in gold or silver all its paper presented I believe it would have worked beneficially and there would have been no trouble growing out of it; but the Secretaries of the Treasury from the beginning of resumption have pursued a policy of redeeming in gold or silver at the option of the holder of the paper, and if any Secretary had afterwards attempted to change that policy, and forced silver upon a man who wanted gold, or gold upon a man who wanted silver, and especially if he had made that attempt at such a critical period as

we have had in the last two years, my judgment is it would have been very disastrous. There is a vast difference between establishing a policy at the beginning and roversing a policy after it has been a long time established, and especially after the situation has been changed.

Mr. Speaker, the apprehensions of Secretary Carlisle as to a change of policy may to some extent, in view of existing conditions, be well founded. It is possible that some financial disturbchange of policy may to some extent, in view of existing conditions, be well founded. It is possible that some financial disturbance might result from the proposed reversal of policy in respect to the Sherman notes. The Secretary admits, however, that if this policy had been adopted at the outset it would have "worked beneficially." Upon this question there seems to be no difference of opinion between the Secretary and myself. But the issue for present determination is whether the existing construction shall be maintained. The proposed change might not operate "beneficially." It is impossible to speak definitely in advance of a trial of the policy. I am prepared to say, however, that the existing construction has resulted most disastrously, and should give place to some modification that will permit the use of both the gold and silver of the Treasury to meet the coin obligations of the Government. The law under which the Sherman notes were issued gives to the Secretary of the Treasury, in express terms, the right to pay them either in gold or silver. This discretion must, however, be exercised by the Secretary, and I challenge reference to one line of that law which permits him to abdicate his high duties and divest himself of responsibility by giving to the holder of the Sherman notes the right to elect that payment shall be made in gold alone.

gold alone.

Such a policy obviously gives to the holder of these notes an unfair advantage. I desire to press this view somewhat earnestly upon the attention of the Secretary of the Treasury, because under the extraordinary special rule under which this bill is now being considered it is impossible to offer any amendment that will require the Treasury Department to deal with gold and silver upon equal terms in meeting the obligations of the Sherman law. The Committee on Rules of the House have reported a rule, without precedent, for the consideration of the tariff bill and of the bond bill, which permits no amendment and requires the House either to which permits no amendment and requires the House either to accept the propositions as a whole or reject them as a whole. The House is therefore powerless under this new departure of the Republican Committee on Rules to do more than either accept or

reject the measures as a whole.

Again, Mr. Speaker, should the Secretary of the Treasury hesitate to make so pronounced a change in the existing policy respect-ing the Sherman notes, why would it not be wise at least to follow in the lead of France, where the discretion of the finance minister

ing the Sherman notes, why would it not be wise at least to follow in the lead of France, where the discretion of the finance minister is exercised by making equal payments of gold and silver in meeting the obligations of the Government?

The law insists that the "parity" between the two metals should be maintained. How can such "parity" be more certainly upheld than by dealing with both metals upon equal terms? They are both clothed with full legal-tender powers, and should under that authority be charged by the Secretary of the Treasury with equal duties and equal responsibilities. I know, Mr. Speaker, of no other way to properly "maintain the parity" than by affording each metal an equal opportunity to discharge the coin obligations imposed upon the Treasury of the United States. I am utterly at a loss to understand that policy which proclaims a "parity" and yet denies to one of the two metals the privilege of exercising its full legal-tender qualifications. This discrimination necessarily operates to make one metal virtually redeemable in the other, and to unduly enhance the value of the metal in whose favor the discrimination is exercised. The effect of this policy is to devolve upon gold alone the duty of performing monetary functions, and this added duty necessarily operates to enhance its value, and thereby discriminates against silver and depreciates its value.

Now, Mr. Speaker, the situation is so plain that a "wayfaring man can not err therein." "He that runs may read." The deficiency in current revenues is not properly chargeable with any responsibility for the raid upon the cold receives.

man can not err therein." "He that runs may read." The den-ciency in current revenues is not properly chargeable with any responsibility for the raid upon the gold reserve. This reserve is being reduced, and has been heretofore depleted, because of un-favorable business conditions, and because it is inadequate in amount to meet the liabilities imposed by the \$485,000,000 of out-standing Sherman notes and greenbacks, with the right of indefi-nite and perpetual redemption accorded by law to each.

nite and perpetual redemption accorded by law to each.

CONCLUSION.

And now, Mr. Speaker, having stated my own views in reference to the Treasury situation, I may say that, in the face of the present exigency, I will support any honorable, just proposition that will afford relief to the suffering Treasury. In conclusion, I desire to summarize very briefly the situation in respect to the legislation pending. The Republican party have proceeded on the theory, as announced by their speakers in this debate, that the gold reserve has been depleted because of inadequate revenues. This "theory" (properly characterized as such, because it has no foundation in fact) is thoroughly discredited by the official statement of Secretary Carlisle, showing that during the fiscal years 1891, 1892, and 1893, beginning July 1, 1890, and terminating June 30, 1893, the receipts of the Government surpassed its expenditures more than \$39,000,000; and yet the gold withdrawals during this

period amounted \$117,212,258. He further shows that of the latter sum, \$58,746,008 were withdrawn during the last nine months of the Administration of President Harrison.

If, however, the Republican contention is correct, that the defi-

If, however, the Republican contention is correct, that the deficiency alone is responsible for the assault upon the gold reserve, why did they not content themselves with the passage of a measure designed to make good the deficiency and rest their "exigent" remedial legislation at that point?

The deficiency for the fiscal year ending June 30, 1895, amounted to but \$42,805,223.18. If that deficiency, with the one existing at the close of the prior fiscal year, be responsible for the depleted gold funds, why the necessity for the three so-called remedial propositions which have been offered? With an annual deficiency of about \$40,000,000, they present a bill authorizing the issue of \$50,000,000 of 3 per cent 3-year certificates; a "horizontal" tariff bill imposing more than \$40,000,000 of annual taxation for the benefit of the Treasury, and untold millions for the benefit of manufacturers; and a bill to authorize the issue of 3 per cent 15-year bonds without limit.

Mr. Speaker, let me say finally, if the Republican party here

turers; and a bill to authorize the issue of 3 per cent 15-year bonds without limit.

Mr. Speaker, let me say finally, if the Republican party had been sincere in their diagnosis of the economicaliment which has wasted the resources of the gold reserve, they would have contented themselves with the passage of a measure designed to meet a temporary Treasury deficiency. But the ruling passion, strong even in death, is stronger still in the hour of victory. Not satisfied with meeting the temporary Treasury deficiency, they seized the first opportunity to attempt to restore to the statutes the protective system of taxation to which the Republican party is committed. The plea that the \$40,000,000 of revenue is needed at this time by the Treasury is shown by Secretary Carlisle to be utterly fallacious, and is only a flimsy subterfuge behind which is ambushed the organized avarice of protected monopolies.

Furthermore, Mr. Speaker, if the Republican party had been candid in their position respecting the coin obligations of the Government, they would have responded to the President's message by the passage of a bill authorizing the issue of a gold bond, because they are committed by practice, if not by platform, to a single gold standard. The controlling forces of that party believe that the coin obligations of the Government should be paid in gold, if so demanded. Standing, however, upon the threshold of a Presidential contest, the Republican leaders in this House fail to exhibit the courage of their convictions, and adroitly evade the real issue by the passage of a 8 per cent coin bond. Still, Mr. Speaker, I congratulate the Republican party, after having indulged in vituperative denunciation of the President because of bond issues heretofore made, upon coming now, at this late hour, to give their sanction to the action already taken by the President, and upon bidding him Godspeed for the future by enlarging his powers and responsibilities under the resumption act.

The Coin Redemption Fund.

SPEECH

HON. ROBERT J. GAMBLE.

OF SOUTH DAKOTA.

IN THE HOUSE OF REPRESENTATIVES,

Friday, December 27, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. GAMBLE said:

Mr. GAMBLE said:

Mr. Speaker, I have endeavored to carefully consider the provisions of the pending bill, and am unable to discover any valid reasons why it should not receive my support. It makes no difference that the appeal comes to this House from an Executive representing an opposite political faith. Our response must be measured by our ownsense of patriotic duty and obligations to our country under existing conditions—conditions, sir, that have been brought about by policies of administration, it seems to me, wantonly and persistently followed out by the Democratic party against the repeated warning, protest, and prophecy of the Republican organization. Higher motives than mere party advantage or resentment should actuate us as individuals, and we should answer this appeal from the nation's Executive, whether made in good faith or otherwise.

The spectacle here presented appears to me anomalous. The Republican party meets the crisis promptly and with courage. By them a revenue bill was passed with great expedition to meet the demonstrated deficiencies in the Government's income, and it met the persistent opposition of the President's own party on this floor. The same opposition is made to the pending measure, both here and from the executive department. All the power of the Administration is exercised for some occult purpose to nullify the

efforts of the majority of this House to grant the relief for which so strong an appeal was made. From the evidence at hand good faith seems whose locking in the Administration and its sup-

faith seems wholly lacking in the Administration and its supporters on this floor.

The Administration proposes, independent of any further legislation upon the subject, or any action taken by Congress in the premises as indicated in the message of the President, to issue bonds for the purpose stated in the first section of the bill. Shall we, by the passage of the pending measure, make the interest lower, the time for which they are to run much shorter, and their sale public? Surely, if bonds are to be issued these provisions are to the advantage of the Government. The power is already vested in the Secretary of the Treasury by existing law new power to that officer. The only manner in which the proposed issue can be defeated is to repeal the law which authorizes it. As both branches of Congress are now constituted would such a proposal receive favorable consideration? You may answer for yourself.

Even if a bill were passed repealing the statute of 1875 it is well known it would receive the Executive veto. With practical certainty it can be asserted the law will remain in force at least describe belonge of the preparate Eventive.

certainty it can be asserted the law will remain in force at least during the balance of the term of the present Executive. The legislative branch of the Government is powerless to repeal it if it were so disposed in the face of Executive opposition. If this, then, is the position by which we are confronted shall we not modify the provisions of the existing statutes in the interest of the people rather than have the Government again subjected to the exactions of the sale of last year. If I err, either in my conclusions or sense of duty as regards the pending measure, it has not been without an earnest effort on my part to see clearly the issue and responsibility before me.

the issue and responsibility before me.

We will not accuse Mr. Cleveland with such obtuseness that he believes the present Congress will carry out the recommendations of his message to authorize the issue of bonds payable in gold under any circumstances, or that the legal-tender notes under present conditions will be retired and withdrawn from circulation. Does he expect, at his call, the Republican party will renounce the policy of bimetallism for which it has uniformly declared? It has too long been the doctrine of the party that it now can, or should, abandon this vital principle, fraught with such vast interests to the people of the country. From my understanding, I can not conceive, whatever views individuals may have upon the silver question, how an issue upon that subject can be logically injected into this discussion, or in what manner it is involved in the pending measure.

The greenback was born in the necessities of war. The Republican party brought it into being, and is responsible for its creation. Its mission has been one of lasting honor to its authors, and it sustained itself as long as Republican legislation remained upon the national statute books. It has only recently been brought into disrepute by the suicidal enactments and hopeless incompetence of the present Administration. For more than thirteen years, from the date of resumption of specie payments to the accession of Grover Cleveland as President in 1893, the gold reserve stood unimpaired, under legislation inaugurated by the Republican party. No blight during that golden era fell upon or stifled the energies of the nation. Unexampled development marked every avenue of industrial and commercial life, the like of which no people ever witnessed. Great enterprises developed, industries extended, labor always found remunerative employment, with constantly increasing wages. In 1892 our industrial and commercial development had reached a point of prosperity that no people under any government had theretofore enjoyed. Peace and contentment reigned supreme within our borders, and we were the envy in material and domestic development of the nations of the world. The great national debt had been reduced with amazing rapidity under Republican legislation. The annual interest charge thereon had in like manner been diminished. Internal improvements had been extended and developed, and a great pension list had been unfailingly provided for the veterans of the war. Nornggardly parsimoniousness in appropriations, or covert attack in construction of pension laws, was made by any Republican Administration to save depleted revenues, like the present, but always and at all times good faith was kept with the defenders of the nation.

By businesslike administration of the great fiscal affairs of the

By businesslike administration of the great fiscal affairs of the Government its obligations were always met, and no deficiency was ever apparent. No issue of bonds under the act of 1875, which was passed by a Republican Congress, was found necessary, except in the first instance, when specie payments were resumed. It remained for the present Administration to invoke the power reposed in its provisions. Since the date of resumption under the economic policy of the Republican party no statement from the Government records can be produced showing a deficit in income over the ordinary expenses of the Government until

after the election of Grover Cleveland in 1892. Some months there were small deficiencies, but there was produced during the time of its operation an average monthly surplus exceeding \$1,000,000. There has not been a month, with two exceptions, during the existence of the present tariff law but what there has been a deficiency in meeting the necessary expenses of the Government. Instead of a surplus its average monthly deficit has been \$4,694,044. This fact alone is sufficient to condemn the policy upon which the last Presidential election was carried. The people now understand it, and their judgment has been most vigorously expressed in the succeeding elections.

In addition to this, although the gold reserve was intact when Mr. Cleveland was inaugurated, under his benignant reign of tariff reform it has gradually vanished, and it became necessary to replenish this to the amount of \$182,000,000 by bond issues. And again, the danger line has long since been passed, and the reserve is now nearly \$40,000,000 below the line of safety. But notwithstanding these temporary inconveniences of the Administration, it is still possessed of heroic courage, and is ready for war, even if within four days of its Venezuela declaration we are favored with a communication from the Executive of its threatened bankruptcy.

lt is not difficult to find an explanation for the present condition of the Treasury. It is the direct result of the operation of the Wilson bill, so called. The solution is made manifest from a comparison of the effect of this act upon the Government revenues with that of the McKinley law. I quote from the last number of the American Economist, which shows the result, as taken from the official records of the Government, covering periods of the first fifteen months of the operation of each of these two acts:

Exports of domestic goods.

1890-M'KINLEY TAR	IFF.	GORMAN TARII	TF.
October	88, 047, 097 97, 421, 907 81, 466, 687 74, 111, 079 74, 433, 101 69, 780, 077 56, 784, 984 56, 058, 692 61, 770, 509 71, 424, 973 81, 845, 005 101, 1912, 906 109, 109, 414	September October November December 1895 January February March April May June July August September October November	\$57, 820, 737 82, 82, 423 78, 877, 384 83, 004, 053 80, 330, 490 54, 990, 944 63, 623 752 63, 958, 041 62, 752, 134 53, 738, 093 56, 156, 878 67, 062, 423 85, 062, 333 85, 151, 207
Total, 15 months	1,239,864,599	Total, 15 months	1,019,511,279
Decrease under Gorman	tariff to date		220, 353, 320

Imports of foreign good

	Imports of fe	oreign goods.	
1890-M'KINLEY TARI	FF.	GORMAN TARIF	P.
October	\$72,550,279 64,218,078	September	\$50,647,698 60,019,986
December	60, 802, 331 62, 300, 663	November	50, 567, 483 62, 135, 431
February March	65, 979, 569 77, 634, 836	January	67, 547, 900 58, 315, 981
April	81, 275, 106 71, 993, 623	March	69, 295, 493 68, 749, 958
June	73, 402, 225 67, 042, 035 65, 953, 360	June	66, 028, 854 61, 662, 044 73, 034, 826
September October	61, 504, 737 66, 836, 259	August	71, 111, 943 65, 234, 989
November	64, 890, 507 69, 448, 023	October November	75, 056, 312 63, 343, 759
Total, 15 months	1,025,891,631	Total, 15 months	962, 752, 656
Decrease was Jan Comme	m downist has don't		69 190 07W

Exports of gold coin and bullion

Exp	orts of gold o	coin and bullion.	
M'KINLEY TARII 1800 October November December 1891 January February March April May July August September October November December	\$425, 235 567, 152 637, 152 632, 354 4, 010, 146 5, 155, 738 14, 163, 116 30, 590, 700 15, 822, 440 6, 042, 674 172, 168 345, 290 809, 595 381, 949 354, 501	GORMAN TARIF September October November December Jamuary February March April May June July August September October November	\$237, 477 1, 682, 814 428, 213 9, 802, 389 25, 929, 828 1, 565, 194 3, 129, 640 1, 585, 610 1, 585, 610 1, 586, 617, 281 10, 667, 281 17, 424, 605 1, 873, 807
Total, 15 months	80,711,322	Total, 15 months	100,721,533
Incresse under Gorman to	riff to date	=	90 010 910

Imports of gold coin and bullion

1890-	w.	1894—GORMAN TARIFF	
October	\$2,621,638 1,926,401 6,083,013 1,897,918	September	9655, 595 1, 602, 665 1, 835, 601 377, 966
February March April May May June July August September October Novamber December	565, 304 614, 179 283, 318 212, 648 282, 906 1, 089, 148 1, 394, 755 7, 451, 438 16, 897, 947 8, 877, 947 6, 618, 851	January February March April May June July August September October November	1, 231, 339 5, 038, 197 7, 286, 384 4, 923, 371 4, 656, 264 8, 096, 391 571, 451 1, 534, 086 749, 456 1, 787, 776 802, 884
Total, 15 months	55, 551, 162	Total, 15 months	25, 792, 110
Decrease under Gorman t	ariff to date	***************************************	19, 750, 608

Results of Afteen months' operations.

Merchandise.	McKinley tariff,October, 1890, to Decem- ber, 1891.	Gorman tariff, September, 1894, to Novem- ber, 1895.
Exports	\$1,230,864,500 1,025,801,631	\$1,019,511,279 902,752,650
Excess of exports	213, 972, 966 25, 100, 100	56,758,623 64,929,422
	Favorable.	Unfavorable.
Trade balance	\$188, 812, 806	\$8,170,790 196,963,607

FACTS

The decrease in our exports of American products and manufactures during the first fifteen months of the Gorman tariff, as compared with the first fifteen months of the McKinley tariff, was \$22,353,339.

The decrease in our imports under the Gorman tariff, comparing the same periods, was \$62,138,975.

The excess of experts over imports in the McKinley period was \$213,972,988, but only \$50,786,688 under the Gorman period, a loss, under the latter, of \$157,214,345.

Under the German tariff we experted \$39,019,210 more gold and imported \$19,789,032 less gold than during the McKinley period.

The net less in the trade balance of the United States has been \$196,983,607 during the first fifteen months' operation of the German tariff as compared with the first fifteen months of the McKinley tariff. This loss is at the rate of \$13,130,000 a month, or \$500,000 for every business day in the month.

The operation of the Wilson law has in every way been a direct menace to the agricultural interests of the entire country. Instead of opening up the markets of the world, as it was claimed it would, and increase our exports of the leading productions of the farm, its actual effect has demonstrated the reverse. The official publication of the Treasury shows, as regards the productions referred to, by comparing the result of the first year of the operation of this act with that of the McKinley law, that there was a decrease in the export of agricultural products amounting to \$69,546,414. It also shows a like loss to our agriculturalists in the importation of actions the could have been produced by our own farmers to It also shows a like loss to our agriculturalists in the importation of articles that could have been produced by our own farmers to supply our own market rather than transfer it, as has been the case under this new regime, to foreign competitors. The importations during the time referred to under the Wilson law exceeded that under the McKinley law by \$55,927,678. Another item of vast interest to the whole country, and a matter of especial interest to the people of my own State is, wool. Comparing the operation of the two acts as affecting this industry for the same time, it shows that under the Wilson law \$26,289,857 worth was imported more than under the McKinley law. No account is here taken of the great loss in the value of the flocks or the product during the same time, in addition to the direct loss to our farmers in being robbed of a market that is justly their own. robbed of a market that is justly their own.

With this immense loss to the Government in trade, and the With this immense loss to the Government in trade, and the balance always against us under the operation of the present law, is it at all strange that we have trouble with the gold reserve? Gold sufficient to make good this difference in our foreign trade is taken from the country. It must be supplied from some source, and the Treasury of the United States seems to be the most accessible. So long as the economic policy of the Democratic party is adhered to which brings about such a condition in our trade relations in the state of the continuous on the gold funds of the tions just so long will the raids continue on the gold funds of the Treasury. Restore again the policy of the Republican party and reverse the balance of trade in our favor, and the effect will be, as it always has been heretofore, to stop the outflow of gold from our

shores and bring to us instead the yellow metal sufficient to make good the balance of trade in our favor. The real seat of the present trouble is largely, if not wholly, due to a false economic policy, insisted upon by the opposition in the face of overwhelming facts

insisted upon by the opposition in the face of overwhelming facts as well as the logic of the present unfortunate condition of our national well-being.

The statement of the Treasury Department which we received this morning shows, including the gold reserve, the available cash balance on hand a little upward of \$175,000,000. But the Administration, in order to save itself from bankruptcy, has replenished the Treasury with upward of \$182,000,000 by the sale of bonds to maintain the gold reserve. Had this course not been resorted to and reliance alone placed on the Government revenues, the gold reserve long since would have been swept away, a deficiency would exist, and the people would then have had even a more practical demonstration of the logical effect of the Wilson bill and Democratic policies than they have already, crushing though the weight has been upon every avenue of our commercial and industrial life. and industrial life.

and industrial life.

For thirteen years succeeding July 1, 1879, the total withdrawal of gold from the Treasury only amounted to \$43,310,896, while the country was enjoying the security and confidence of Republican Administrations, and under its legislation undisturbed by the prospect of a reversal of its tariff legislation by the Democratic party. But from July 1, 1892, up to December 1, 1895, the withdrawals of gold amounted to upward of \$360,000,000, and of this vast sum over \$305,000,000 during that time was exported—found lodgment in foreign countries. It can thus be understood that the demand for gold is not from the American people, but it is necessary to supply the deficiency in our trade relations consequent upon tariff agitation by the Democratic party, commencing with its threat of the enactment of free trade in 1892, and afterwards by its legislation upon the subject.

It is well understood that the balances in our foreign trade must be paid in gold. And when we add to this amount, under our present conditions, the vast interest charge annually paid to the holders of our securities abroad, aggregating substantially \$75,000,000, and probably more than that, and also the amount spent by that large and increasing number of our population in foreign travel, ranging high into the millions, it is not surprising that gold shipments are necessary to keep our accounts balanced

that gold shipments are necessary to keep our accounts balanced with the nations of the world. A policy that allows the shipment of gold to foreign countries to go on unchecked is unwise, unphilosophical, and suicidal. The reversal of the tariff policy of the Government has brought about this unfortunate condition in our financial operations. It occurs to me it would be the policy of the december of the tariff policy of the december of the tariff policy of the government has brought about this unfortunate condition in our financial operations. wisdom to again inaugurate that system which gave us a balance in our foreign exchanges sufficient to liquidate the vast amount we must at any rate pay to our foreign creditors, rather than add to it, as we are now doing under present legislation. Other expedients will be but temporary, but this course will give us the permanent relief.

permanent relief.

With a depleted Treasury as the result of its un-American policy, with a vanishing and constant fading gold reserve as a resultant from the same cause, with blind adherence to mistaken theories, the Administration is finally overwhelmed. After having by darklantern tactics contracted with foreign syndicates and imposed bond obligations on the Government aggregating \$162,315,400, at long time and at usurious rates of interest, the representative of this ignoble business now appeals to the majority of this House, representing the only party that has shown capacity for government for the past thirty-five years. However humiliating the spectacle, or however much resentment we may feel, obedience to patriotism and to duty commands this response in the enactment of the measure proposed. We have already provided revenue, but the present exigencies plainly demand even more for the immediate needs of the Government. the Government.

As Republicans, we do not believe in, and never have put in practice, policies necessitating the issue of bonds in time of

The law of 1875, however, is still in force, and authorizes the

The Administration proposes to exercise the power, whether action is had by Congress or not. Already it is asserted, with an assurance of fact, that negotiations are practically completed with the same representatives whose cunning and avarice cost the Government so dearly in the last issue, to say nothing of our national self-respect. Shall we refuse to pass this bill, when by its terms it makes such contracts impossible? If we fail to pass it, it is practically a justification and indorsement of the acts of the Administration. Is this not one of the motives for the opposition? If it be true, as is charged, that secret negotiations are already being conducted by the Administration for the sale of \$100,000,000 to \$200,000,000, and a contract has been or is about to be entered into with the representative of the same or like syndicate to which the last sale was made, it occurs to me the proceeding can not be too

strongly denounced on this floor or by the American people. If such methods are being pursued, they appear to me iniquitous. The Administration can afford to wait for the action of Congress, and not be in too unseemly haste. The saving to the Government in the low rate of interest, as well as in the time the bonds would run under this bill, rather than proceeding under existing law, would be enormous. After having appealed to Congress, it would be a grave act of official discourtesy to negotiate a sale of bonds before both Houses have a full and fair opportunity to make answer to the President's appeal. to make answer to the President's appeal.

to make answer to the President's appeal.

Under the law of 1875 bonds can only be issued for ten years at 5 per cent, or for thirty years at 4 per cent. It is proposed by this bill to also authorize the issue of bonds bearing interest not to exceed 3 per cent, and redeemable at the pleasure of the United States in coin after five years from date, and payable in fifteen years. Whenever bonds are to be issued, the Secretary of the Treasury must advertise the same. The proceeds must be used for the purpose of redemption, and for no other purpose.

It appears to me that these provisions are all in favor of the Government. It gives a lower rate of interest, and limits the time in which the bonds are to run, and places the redemption at the option of the Government. It also prevents the repetition of an iniquitous and disgraceful contract, unjust to the Government and humiliating to our people. It allows our own people to be open competitors for our nation's securities, and I believe their patriotic sentiment and ability will at all times be equal to the emergency or the necessities of the Government, especially with returning prosperity in the assurance of a Republican victory in 1896.

With the Republican poster in page 2011 to 1896.

With the Republican party in possession of all the departments of the Government, as it surely will be in 1897, there will be no necessity for the exercise of the authority conferred by the proposed measure. A new era will again be upon us as a people, energized and quickened by the pulse beat of Republican courage and hope.

Under this bill there could be no retirement of the greenbacks, any more than under existing law. The proviso of the bill clearly negatives any such construction. The law of 1878 still remains in force, and is specifically referred to in the bill. That law provides

And whenever any of said notes may be received into the Treasury, under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but shall be issued and paid out again and kept in circulation.

Under this bill I can see no way in which the circulation of the currency can be contracted. It is made the duty of the Secretary of the Treasury to reissue, pay out again, and keep them in circu-

I have heard no serious objection made to the second section of the bill. Its provisions are so plainly requisite, usual, and necessary, it would seem idle to argue the necessity of its enact-

I would, therefore, summarize my conclusions upon the pending measure as follows:

1. The bill is not a departure from Republican doctrine, but simply supplements the present statute, leaving all existing provisions in full force upon the subject.

2. The power to borrow for the purposes indicated in the first section now exists, and it is the granting of no new authority to the Secretary of the Treasury, and is a matter of detail only.

3. The provisions are all in favor of the Government making the rate of interest lower and the time for which the bonds are

to run much shorter.

4. It prevents any secret contract in the future with a foreign syndicate and gives our own citizens an opportunity of purchasing the securities of the Government in the open market and upon fair competition.

5. It will give greater national self-respect, by having our own citizens hold our securities, rather than appealing to foreign representatives.

6. It meets the present emergency promptly, and saves the nation's credit and the integrity of the Treasury.7. It will preserve the gold reserve for the use which the original contents of the contents of t

nal law contemplated and prevent it from being wantonly diverted to replace the deficiencies in the revenues.

It condemns the methods of the Administration in prior sales of bonds, and to defeat this measure would be construed by it as a justification of its proceedings.

9. It in no sense can be used to retire the greenbacks or to contract the circulation.

10. To oppose it drives me into cooperation with Democracy, hose wisdom in legislation or administration has never yet developed in me, by practical example, the profoundest faith.

Revenue.

REMARKS

OF

HON. JOEL P. HEATWOLE. OF MINNESOTA.

IN THE HOUSE OF REPRESENTATIVES.

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency.

Mr. HEATWOLE said:

Mr. SPEAKER: The first necessity of the Government is revenue sufficient to pay all its obligations as they mature. This bill aims to secure revenue which the last Democratic Congress failed to provide. No man on the Republican side pretends to say that it is all that he desires as a revenue bill, and it is brought forward and supported by Republicans at this time to meet an emergency. Under Republican control no such emergency would have arisen, as it has always been the policy of the Republican party, as it is to-day, to provide sufficient revenue to properly carry on the Government.

Government.

This emergency began when the people after thirty years—a period in which many forgot the disasters of the last time the Democratic party was in control—trusted that party with full power in both legislative branches of the Government and the executive branch as well. Up to that time there had been no question about maintaining the gold reserve. Up to that time the gold reserve had never been attacked. Up to that time it had never been necessary to draw upon the gold reserve, in a roundabout manner, to pay the running expenses of the Government.

In November, 1892, when the returns had all been counted and it was known that the Democrats had not only carried the Presi-

it was known that the Democrats had not only carried the Presidency, but the House and Senate as well, there began that depression which the country has suffered from ever since, and from which it will not recover, in my judgment, until the Republicans which it will not recover, in my judgment, until the Republicans are restored to power in every branch of the Government and can undo what the Democratic party has done and do what the Democratic party has left undone. The result of that election caused the business interests of the country to suspend. Every industry was threatened by free trade. Capital was withdrawn from business enterprises. Money was held in strong boxes, and did not seek investment in the usual channels because no one could tell what mischief the party now in full control would do. The threatened attack upon the protected industries of the country proclaimed in the Democratic national platform was nearly as efficient claimed in the Democratic national platform was nearly as effica-cious in causing a stagnation in business as was the fulfillment. A natural result of Democratic success was a decrease of reve-

A natural result of Democratic success was a decrease of revenues of the Government. Importers bought as small stocks as possible, waiting until they could reap the harvest of Democratic pledges and bring their goods in at reduced tariff rates. There was a decreased demand for all goods on account of the hard times and the industrial stagnation following the election. Revenues fell off even before the present tariff law was prepared. The passage of the bill did not aid business nor secure an increased revenue. Instead there has been a constant growing deficiency ever since. More revenue was promised by the Democrats as a More revenue was promised by the Democrats as a result of increased importation. But now we have had an increased importation, and still the deficit grows larger. The rates of duty are not high enough to provide sufficient revenue, yet the

imports far exceed the exports.

It is this latter fact to which may be attributed the raid upon the gold reserve. With a balance of \$160,000,000 against us it is the gold reserve. With a balance of \$160,000,000 against us it is natural that gold must be drawn out of this country to pay the difference. Should the balance be in favor of this country there is little doubt that the gold reserve could be easily protected, as is little doubt that the gold reserve could be easily protected, as there would be no demand upon it to pay foreign exchange. It has been demonstrated that the demand for gold was for commercial transactions, and what has been called a "raid" was nothing more than a demand created by business conditions. If the present bill should check foreign importations, create a demand for goods produced at home, and turn the tide of trade into domestic channels, I believe we would not be troubled with the so-called "raids" unless they should be made by the officers of the Treasury to pay the running expenses of the Government.

If this bill should check the tide of importation, and at the same time raise the revenue necessary to meet the deficit, then it will accomplish what it is intended to do. It may not be adequate for both of these purposes, and for that reason I will support a bill authorizing the issue of short-time, low-interest bonds of small denomination to meet emergencies until the Republicans are in

full control again and a safe and equitable tariff measure can be framed upon Republican principles, which will not only produce sufficient revenue, but will turn the balance of trade in favor of this country and do away with the necessity of protecting the gold reserve, which is now drawn upon so heavily to meet foreign bal-

ances.

No one on this side of the Chamber can be wholly satisfied with the present law, nor as it will be after this bill amends it. It will take weeks to prepare a measure to meet the wishes of the Republicans of this House, and it is well known that when such a measure is prepared it will not meet the approval of the Democratic Executive. When such a bill is prepared it will be found that more hearty support will be accorded it than is now given a measure which is temporary only, and which is intended for an emergency, and that alone. gency, and that alone.

gency, and that alone.

I have the honor to represent an agricultural district. My constituents have had a few years of Democratic tariff, and they do not approve of it. They know that protection for agricultural interests is as important as protection for manufacturing interests. And, in fact, even more so. When the receipts of the manufacturer are reduced below his expenditures he can reduce wages to the European scale, or can close his factory and await better times. The farmer must sow and reap, and accept the prices which are offered for his products, no matter how low they may be made by competition with foreign products. When the workingman is thrown out of employment and his wages reduced, he is not so large a purchaser of the products of the farm. There is a surplus of products, and then the laws of supply and demand work to the detriment of the farmer. Indirectly the home market is one of the great dependencies of the farmer to keep up the prices of his products. products.

But it is where the foreign importations come in direct competition with the products of our fields that the farmer finds he has sustained the greatest loss by Democratic ascendancy. The importation of Russian and Canadian barley has caused a decline in the price of that cereal which has been marked in every farming district in the United States, and more especially in Minnesota and the States on the Canadian frontier and which by lake transportation are compelled to compete with the Russian article. The tariff act of 1890 advanced the duty on barley from 10 to 30 cents per bushel and the imports of barley fell off from 10,000,000 bushels per bushel and the imports of barley fell off from 10,000,000 bushels over the average for eight years. The increase in one year was worth to the farmers over \$6,000,000, which is one of the items that has gone to swell the balance of trade against the United States in the past year and a half of Democratic tariff. In the past twenty years, from 1873 to 1893, the production of barley has increased nearly 118 per cent, from 32,000,000 in 1873 to 69,869,000 in 1893. 000 in 1893.

The farmers of Minnesota, Wisconsin, and the Dakotas have had the experience of seeing Russian barley sold in competition with their own products in the great markets of the West, Chicago and Milwaukee. These cities as a market are best described in a communication of the Milwaukee Malt and Grain Company in January, 1894, when the Democratic bill was before the House of Rep-

They said under above date:

"In these citles is marketed a large proportion of the barley grown in Wisconsin, Minnesota, and Iowa, which three States, together with California, furnish more than one-half of the barley crop of the United States. In six years, from 1884 to 1889 inclusive, the combined receipts of barley at Milwaukee and Chicago averaged 17,300,564 bushels per annum. Then came the increased duty, and in line with it the receipts during the subsequent years promptly ran up to an annual average of 25,706,923 bushels, an increase of 8,406,556 bushels per annum.

"In support of this statement we herewith append in detail the official figures of the secretaries of, respectively, the Chamber of Commerce of Milwaukee and the Board of Trade of Chicago:

Year.	Chicago receipts.	Milwau- kee receipts.
1884	Bushels. 7,849,829 10,700,127 12,740,953 12,476,547 12,387,526 12,524,538 15,133,971 12,228,480 16,989,278 13,375,845	Bushels. 4, 702, 666 5, 392, 106 6, 019, 424 5, 778, 663 6, 465, 471 6, 765, 537 10, 825, 391 11, 788, 298 12, 495, 136

[&]quot;Is not the aforementioned phenomenal increase of 8,406,359 bushels per annum in the receipts of American barley at but two points proof positive that the duty of 30 cents per bushel has resulted in a great benefit to the American farmer? It can not be denied that the higher duty has stimulated to a degree hitherto unparalleled the cultivation of barley in the States of Wisconsin, Minnesota, Iowa, North Dakota, and Nebraska, and that, as a

further result, thousands of acres of land that stood in danger of being impoverished through the long-continued cultivation of wheat are now being strengthened and reclaimed to usefulness by the change from wheat to

further result, thousands of acres of land that stood in danger of being impoverished through the long-continued cultivation of wheat are now being strengthened and reclaimed to usefulness by the change from wheat to barley.

"The full effect and benefits of the 30-cent duty are now but just beginning to make themselves manifest. The excellent quality of the barley raised in the States above referred to is rapidly making friends for it everywhere, and more particularly in those sections of the country where formerly Canadian barley was in general use. It can not be claimed that the American cereal is inferior to its foreign rival, as witness the unexcelled reputation of Milwaukee beer, in the manufacture of which our own barley is not disturbed Canadian barley will eventually be driven entirely from the United States.

"On the other hand, if the Wilson bill becomes a law and the duty be reduced to an ad valorem duty of 20 per cent, the floodgates on the other side will promptly discharge such an enormous load of barley into our land as can not but prove disastrous to the interests of the American farmer. He has spent money, time, and brains in the laudable enterprise of furnishing the brewers and distillers of our land with a grade of barley that shall answer all the requirements as to quality. The question is, shall we encourage him herein by retaining the present duty, or shall we expose him to ruinous competition? Ruinous it certainly will be, for Canada is in position to send us with ease from 15.000,000 to 25.000,000 bushels of barley per annum, and far more if necessary. If she could unload on us more than 11.000,000 bushels per annum when the specific duty was 10 cents per bushel, then how much more will she dump on these shores under an ad valorem duty of but 20 per cent, which will in reality not amount to more than from 6 to 8 cents per bushel? Fix the duty as the bill proposes, and we prophesy that in the very first year thereafter not less than 15,000,000 bushels of Canadian barley will come across

bushel."
Every farmer who has received a low price for his products now realizes that the predictions made in the above letter were based on sound principles and that the man who wrote it was fully alive to the importance of protecting the products of the

It is also interesting to note how the imports of barley fell off under the protective duty of 30 cents per bushel of the Republican tariff and increased again when the Democratic tariff went into effect. The figures given are for the past six years ended June 30, which include the year just before the new Republican tariff went into effect and the years subsequent:

Year.	Bushels.	Value.
1800	11, 332, 545 5, 078, 733 3, 146, 328 1, 970, 720 791, 061 2, 116, 816	\$5,629,843 8,222,593 1,592,046 921,603 858,744 867,742

Heretofore Canada has been our greatest competitor in the bar-ley market, but since the Democratic tariff went into operation ley market, but since the Democratic tariff went into operation the Russians have begun exporting barley to this country, and unless the duty is restored she will prove a formidable competitor. For a period of seven years, from 1881 to 1887, the average export value of Russian barley was 35 cents per bushel at the port of shipment. At the above price the Democratic tariff would add 10½ cents, and about 4 cents a bushel for freight would make the price at New York 40½ or 50 cents per bushel. It is known that Russia is ready to produce barley much cheaper than this, and unless the duty is restored the Western farmer will find his former well-established and compensatory prices reduced to a figure that will make the raising of barley far from profitable.

But the farmers of Minnesota, Wisconsin, Iowa, and the Dakotas have still a greater rival to fear than Old Canada and Russia, if the present duty on barley is to remain.

so that a greater rival to lear than Old Canada and Russia, if the present duty on barley is to remain.

In the far northwest, on the other side of the British boundary line, lies a stretch of country 1,500 miles wide, where the Dominion Government is offering every inducement to settlers.

The season is so short that only crops grown in least possible time will ripen before the fall frosts.

Beslevi consecutives and these recovery.

time will ripen before the fall frosts.

Barley is one of these crops.

The possibilities of production is unlimited.

Since the Democratic tariff law was passed thousands of acres of this country have been devoted to barley, and millions of acres will follow if it is to remain.

Barley is one of the crops which the farmers of my district have heretofore found profitable to diversify with their other products. If they are granted a reasonable protection they can make it profitable. They are also interested in many other agricultural

products which the Republican tariff protects and which the Demo-

products which the Republican tariff protects and which the Democratic tariff places upon the free list, or only grants a small duty which is far from adequate. If the present bill were not an emergency measure, I should like to have offered amendments to the agricultural schedule which would have furnished sufficient protection to the farmers of the whole country. I apprehend when the time comes to frame a bill on Republican lines that the men charged with that duty will give due care to all the vast interests of the United States, and that the agricultural interests will share the beneficent care to which they are entitled and which they can only expect in Republican legislation.

So much has been said in the past by Democratic orators on the stump and in the Halls of Congress concerning the great results that would accrue to American agriculturists by free trade or a reduction of duties by reason of an increased demand for American products, that some figures on this line are pertinent. "Throw open your ports to the world and you will capture the markets of the world," they have asserted time and again. We have tried that long enough to see how it works. The following table shows what has been the result, so far as the exports of many agricultural products are concerned. The figures given are for the year ended June 30, 1894, under a Republican tariff, and the year ended June 30, 1895, under the Democratic tariff:

	1804.	1805.
Barley bushels Corn do Butter pounds Cheese do Eggs dosen Flour barrels Oats bushels Tallow pounds Wheat bushels	63, 425, 655 11, 658, 313 72, 102, 644 2, 159, 047 16, 536, 901	1,556,715 25,507,753 5,462,563 58,446,036 1,698,366 14,942,647 540,975 25,030,339 75,831,639

It will be seen by these figures that the farmers of the United States are not capturing the markets of the world very fast under the Democratic tariff law. I append hereto principal agricultural products, showing the tariff rates of 1890 and the reductions made by the act of 1894. The rates of 1883 are also given. Many of the rates were changed in the Democratic bill from a specific to an advalorem rate, which allows undervaluations, working a greater injustice to the farmer.

Comparative tariff on agricultural products.

Artleies.	Law of 1883.	Republican tariff of 1890.	Democratic tariff of 1994.
Barley	10 cents per bushel.	30 cents per bushel.	30 per cent ad valorem.
Buckwheat	10 per cent	15 cents per bushel.	20 per cent ad valorem.
Corn	10 cents per bushel.	15 cents per bushel.	20 per cent ad valorem.
Oats	10 cents per bushel.	15 cents per bushel.	20 per cent ad valorem.
Wheat	20 cents per bushel.	25 cents per bushel.	20 per cent ad valorem.
Butter		6 cents per pound.	4 cents per pound.
Cheese	4 cents per pound.	6 cents per pound.	4 cents per pound.
Boans	10 per cent	40 cents per bushel.	20 per cent ad valorem
Eggs	Free	5 cents per dozen.	3 cents per dozen.
Hay Hops	8 cents per	\$4 per ton 15 cents per	\$2 per ton. 8 cents per pound.
Potatoes	pound. 15 cents per bushel.	pound. 25 cents per bushel.	15 cents per bushel.
Flaxseed, etc	20 cents per bushel.	30 cents per bushel.	20 cents per bushel.
Garden seeds Bacon and hams	20 per cent	20 per cent 5 cents per pound.	10 per cent ad valorem 20 per cent ad valorem
Beef, mutton, etc	1 cent per pound.	2 cents per pound.	20 per cent ad valorem
Wool: First class	10 cents per	11 cents per	Free.
Second class.	pound.	pound. 12 cents per	Free.
Third class	pound.	pound.	Free.
Third class	5 cents per	50 per cent	Free.
Leaf tobacco: Stemmed	pound.	\$2.75 per	\$2.25 per pound.
Not stemmed	75 cents per	pound.	
All other stemmed	pound. 40 cents per	50 cents per	50 cents per pound.
	pound.	pound.	

I also give the rates imposed by Canada upon American farm products, which show the opposition that would be met with in the Dominion if American farmers should undertake to capture that market for their surplus products:

the Dominon if American farmers should undertake to capture that market for their surplus products:

Canadian tariff on agricultural products.

Animals, living, not elsewhere specified, 20 per cent ad valorem. Live begs, 20 per pound. Meats, 2 cents per pound, Meats, 2 cents per pound. Meats, 2 cents per pound. Canned meats and canned poultry and game, extracts of meats and fluid beef not medicated, and soups, 25 per cent ad valorem.

Mutton and lamb, fresh, 55 per cent ad valorem.

Mutton and lamb, fresh, 55 per cent ad valorem.

Lard, lard compound and similar substances, cottolene, and animal stering of the control of the con

ulations.
Extract of malt (nonalcoholic), for medicinal purposes, 25 per cent ad va-

Extract of mait (nonsitional lorem.

Hops, 6 cents per pound.

Compressed yeast, in bulk or mass of not less than 50 pounds, 3 cents per pound; in packages weighing less than 50 pounds, 6 cents per pound, the weight of the package in the latter case to be included in the weight for duty. Yeast cakes and baking powders, 6 cents per pound, the weight of the package to be included in the weight for duty.

Trees, viz, apple, cherry, peach, pear, plum, and quince of all kinds, 3 cents each.

Trees, viz. apple, cherry, peach, pear, plum, and quince of all kinds, 3 cents each.

Grapevines, and gooseberry, raspberry, currant, and rose bushes; also, fruit plants, n. e. s., and shade, lawn, and ornamental trees, shrubs, and plants, 20 per cent ad valorem.

Blackberries, gooseberries, raspberries, strawberries, cherries, and currants, n. e. s., 2 cents per pound, the weight of the package to be included in the weight for duty.

Cranberries, plums, and quinces, 25 per cent ad valorem.

Prunes, 1 cent per pound, including raisins and dried currants.

Apples, dried, desiccated, or evaporated; dates, figs, and other dried, desiccated, or evaporated; the desiccated, or evaporated; dates, figs, and other dried, desiccated, or evaporated; n. e. s., 25 per cent ad valorem.

Grapes, 2 cents per pound.

Oranges, lemons, and limes, in boxes of capacity not exceeding 2; cubic feet, 13 cents per box; in one-half boxes, capacity not exceeding 1; cubic feet, 13 cents per half box; in cases and all other packages, 10 cents per cubic foot holding capacity; in bulk, \$1.50 per 1,000 oranges, lemons, or limes; in barrols not exceeding in capacity that of the 196-pound flour barrel, 55 cents per burrel.

Peaches, 1 cent per pound, the weight of the package to be included in the weight for duty.

Fruits, in sirtight cans or other packages, 2 cents per pound, the weight on which duty shall be payable to include the weight of the cans or other packages.

Fruits, preserved in brandy, or preserved in other spirits, \$1.00 per gallon.

Ages.
Fruits, preserved in brandy, or preserved in other spirits, \$1.90 per gallon.
Jellies, jams, and preserves, 3 cents per pound.
Honey, in the comb or otherwise, and imitations and adulterations thereof,
3 cents per pound.

Revenue.

REMARKS

HON. BINGER HERMANN.

OF OREGON.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895,

On the bill (H. R. 2749) to temporarily increase revenue to meet the expenses of Government and provide against a deficiency.

Mr. HERMANN said:

Mr. Speaker: I avail myself of the opportunity given to express my views and those entertained by a large majority of the people whom I have the honor to represent in this the great coun-

people whom I have the honor to represent in this the great council chamber of the nation.

We have assembled, sir, under remarkable conditions. The annual message of the President notifies us of what we are already painfully aware, that our domestic concerns are "in such a perplexing and delicate predicament as to require prompt and wise treatment." These are his words. Before this House was organized under the rules, and within eighteen days from the first, another message comes to us from the Executive in which he reminds. Congress of his previous comments on the country's unhappy situation, and then he says:

This condition is intensified by the prevalence in certain quarters of sudden and unusual apprehension and timidity in business circles.

Still further on he says:

We are in the midst of the season of perplexity caused by our dangerous and fatuitous operations.

Since this second message we have also had a third in reference to the perils which threaten us from abroad.

NEVER SO MANY MESSAGES IN THE SAME TIME.

Never before since the beginning of our Government have we had so many messages in the same brief interval from any President, and all breathing such despondent spirit and predicting such dent, and all breathing such despondent spirit and predicting such calamitous results. From the day this Administration first went into power not one encouraging message has yet come from the Chief Magistrate to the people's representatives, and not one cheerful ray has that Administration contributed to inspire hope. We recall the very outset, when we were summoned to this Capitol in the heat of the summer, in extraordinary session, when we listened to a doleful message, in which it was proclaimed to all the world that there existed "an alarming and extraordinary business situation, involving the welfare and prosperity of all our people." This situation was attributed to the continuance of the Sherman law, and we were assured if this obstacle to prosperity were repealed all would be well, because, as we were "chargeable to Congressional legislation touching the purchase and coinage of silver by the General Government." The very message, with the extraordinary meeting of the nation's Congress, as if in age of silver by the General Government." The very message, with the extraordinary meeting of the nation's Congress, as if in war time, did much to intensify the prevailing timidity which everywhere had already bred distrust, evil forebodings, and alarm; and yet these were not occasioned by the operations of the so-called Sherman law. But the law was hurriedly repealed. The constitution of the so-called Sherman law. But the law was hurriedly repealed. The constitution of the so-called Sherman law. and yet these were not occasioned by the operations of the so-can-sherman law. But the law was hurriedly repealed. The con-tinued and greatly increased depression, panics, business failures, and commercial ruin everywhere which followed afford the best proof that the President's diagnosis of the nation's condition was

FREE-TRADE PRESIDENTS ALL REPORT EMPTY TREASURIES.

The alarming messages of Grover Cleveland recall to our minds the historic parallel with every message from a free-trade Presi-dent. We remember the wretched failure of James Buchanan, dent. We remember the wretched failure of James Buchanan, the financial distress, bankruptcies, and universal hard times which befell the country under his Administration. Just as we see it now; there was then an empty Treasury, bonds were issued, moneys borrowed to pay the current expenses of the Government, high rates of interest paid, the imports exceeded the exports, we were buying more than we were selling, there was a distrust in foreign countries as to our securities, and a lack of confidence at home. And yet, with all this, there was an abundance of that which the soil produces and a rich store of resources which only wanted the quickening spirit of an American policy to produce a generous acquickening spirit of an American policy to produce a generous activity, remunerative capital, profitable markets, good prices, and industrial prosperity. Let us reproduce that well-remembered portion of Buchanan's message in 1857. Read what he there says:

In the midst of unsurpassed plenty, in all the elements of national wealth re find our manufactories suspended, labor of different kinds abandoned, and housands of useful laborers thrown out of employment and reduced to want

If this gloomy message were read to most people to-day and the author's name withheld, it would be said to be the production of

President Grover Cleveland. The same policies produce the same results. They can all be described in the same language. When the sickened nation reaches that condition, history teaches us that there is but one medicine which will restore the patient, and that remedy is a protective tariff.

REPUBLICAN PRESIDENTS REPORT PROSPERITY.

We have read the gloomy portrayal of national affairs when free-trade Presidents describe the close of their unhappy Admin-istrations. Let us now read the contrast of a Republican or pro-tective tariff Administration in the last message of President Harrison. He said:

In submitting my annual message to Congress I have great satisfaction in neing able to say that the general conditions affecting the commercial and nodustrial interests of the United States are in the highest degree favorable. A comparison of the existing conditions with those of the most varied period in the history of the country will, I believe, show that so high a degree of prosperity and so general a diffusion of the comforts of life were never becore enjoyed by our people.

The student of history would at once say, in reading that mesage, that it described the splendid results of a Republican Admin-

HARD TIMES FOLLOWED CLEVELAND'S INAUGURATION.

HARD TIMES FOLLOWED CLEVELAND'S INAUGURATION.

Within ninety days after that cheering message was read to the American people Grover Cleveland was inaugurated, and immediately a chill came over the country. Capital fled in terror from the busy haunts, enterprises withered, factories suspended, business houses failed or reduced their trade, the mines closed or worked on diminished wages, laborers were without work, the mills and the farms suffered all alike. Why this immediate change in our conditions? The answer is self-evident. The profitable American market opened its capacious gates to the products of a foreign soil and a foreign labor, and the energetic home toiler found himself unequal to the cheap competition which displaced him in the market. The tide quickly turned. It is easy to destroy confidence, as it is difficult to restore it. With our own factories and forges, and farms and mines, and mills deprived of their accustomed traffic, and that traffic largely supplied by the foreign competitor, what else could be expected than that which we now experience? The first effects of the Cleveland Administration are seen in our foreign trade relations. The repeal of the McKinley law threw down the bars. We at Cleveland Administration are seen in our foreign trade relations. The repeal of the McKinley law threw down the bars. We at once increased our purchases from abroad, and soon we were buying more than we were selling. Our imports exceeded our exports. The balance of trade was against us. The American gold went to Europe. It was used in foreign factories, foreign farms, and mines, and it was paid to foreign wages. Under the Republican Administration the balance of trade was in our favor and the European gold came to America. It found its way into the Treasury and among the people. We not only had abundant money, but we had abundant circulation. There was no alarm from the so-called Sherman law. Nobody called for its repeal, and nobody said then, as Mr. Cleveland declares now, that "we are in the midst of the season of perplexity caused by our dangerare in the midst of the season of perplexity caused by our dangerous and fatuitous operations."

FREE TRADE INCREASES IMPORTS AND DECREASES EXPORTS

It is a well-established fact that whenever in this country we have a free-trade or tariff-for-revenue Administration we at once increase our imports and decrease our exports. A few facts will illustrate.

For woolens the Wilson bill took effect January 1, 1895. The first six months after this we imported from abroad 19,418,029 first six months after this we imported from abroad 19,418,029 pounds of woolens and worsted goods, valued at \$12,723,032, while for the first six months of 1894, under the McKinley bill, the like imports were only 2,716,710 pounds, valued at \$2,529,694, a difference in value of over \$10,000,000 against our own country. During the same six months of 1895 American manufacturers imported 100,628,257 pounds of foreign wool, as against 42,438,461 pounds in 1893 and 44,062,211 pounds in 1892. In 1832, under protection, our general imports were then \$101,029,206, while in 1834, two years later and under free trade, our imports had increased to \$126,524,000 \$126,521,000.

WE HAVE NOT THE WORLD FOR OUR MARKETS

In Mr. Cleveland's last campaign it was freely asserted that if his cause should triumph we should have the world for our mar-kets and that our exports would increase marvelously, and the free traders' favorite maxim was that if we would not buy abroad free traders' favorite maxim was that if we would not buy abroad we could not sell abroad, and it was explained that if the foreigner could freely sell to us he would more freely buy from us. Many believed this, not reflecting that it is with nations as it is with individuals, that they buy only in that market where they can derive the best advantage. The statistics show that we not only did not sell more to the foreigner under the Wilson bill, but that, as a matter of fact, we sold less, and our sales are still decreasing. Our exports to Europe in 1894 were \$700,870,823, and in 1895 they were \$627,975,183, or a decrease in one year's time of \$72,895,689. In contrast to this, under the McKinley bill, our exports in 1891 increased \$134,276,000, while at the same time Britain's

exports decreased \$82,291,000. It might be thought to follow that if we should sell so much less than before we naturally would buy less than before. A prudent business man would at least pursue such course. But not so with a Government doing business under free-trade ideas and practices, as the figures show. In 1894 our free-trade ideas and practices, as the figures show. In 1894 our imports from Europe were \$295,071,865, while in 1895, one year later, under the Wilson bill, the imports from Europe had increased to \$383,686,842. It will thus be seen that we spent \$88,600,000 more money for European goods, and the European spent nearly \$73,000,000 less money for American goods. This represents a difference which had to be met by sending away our gold. It is thus proven that under a lower tariff we do not increase our exports and that we do not "conquer the markets of the world," as the free trader so loudly boasted. Indeed, it looks as though the markets of the world had conquered us. In trying to capture them we have lost our own. them we have lost our own.

FREE TRADE DIMINISHES CONSUMPTION.

But it is replied that these increased imports are occasioned by our greatly increased consumption, and not to the decrease or removal of tariff duties. The painful fact, however, remains that the American nation consumes at least 20 per cent less to-day than the American nation consumes at least 20 per cent less to-day than it did two years ago, and yet our population is greater. The earning capacity and ability of our people to purchase has been impaired from 20 to 50 per cent by these Cleveland times. Four hundred and fifty-six employers have made reports stating the number of their employees and the rate of wages paid them for six months' time in each year from 1890 to 1895. In 1892 the number employed in these 456 establishments was 94,560, while in 1895 the number was reduced to 80,196. From the same reports, which are published in the American Economist, it is also shown that are published in the American Economist, it is also shown that for 1894 there was a reduction of 21 per cent as compared with 1892 in the wages of these people. The lessening of wages always means the lessening of consumption. When it is estimated on the basis of the census of 1890 and on recent investigations that the wage disbursements in 1895 will be \$300,000,000 less than in the wage disbursements in 1895 will be \$300,000,000 less than in 1890, it can be seen how fearfully has consumption been decreased. The number of people unemployed to-day who were profitably employed during the existence of the McKinley law would constitute a vast army of people. It would be interesting to know how many thousands more are employed on European farms and in European factories this year, who were idle in 1890. With present conditions in our country it is extravagant to claim that there is greater consumption among the masses.

Nor can it be said that consumers are benefited substantially by cheaper prices. Meats and breadstuffs and fuel are about the same. Clothing has shown but little reduction in price, and where it is much cheaper it will be found to contain such quantity of shoddy and waste as to diminish the value of the product, so that in the end there is no real advantage to the consumer, and in proof this is the statement from Mr. Justice Bateman, a well-known authority on foreign and domestic wools and woolens, that the

authority on foreign and domestic wools and woolens, that the wool adulterants imported in one year under the free trade Wilson bill amounted to the enormous quantity of 17,600,000 pounds.

son bill amounted to the enormous quantity of 17,600,000 pounds, while under the entire period of the protective McKinley law there were only 1,300,000 pounds purchased from abroad.

The fact can not be denied that increased imports represent the displacement of home-made goods for foreign-made goods. The more we buy abroad the less we buy at home. The more the foreigner manufactures for us the less the American will manufacture. The more the foreign farmer produces for us the less we buy from the American farmer. Increased imports represent in proportion the closed American factory, mine, and mill, and the abandoned farm, fruit orchard, and sheep ranch. They represent diminished production, reduced wages, scarcity of money, increased indebtedness, and hard times on our side of the water. No nation can long remain prosperous with farms on one side of No nation can long remain prosperous with farms on one side of the ocean and workshops on the other. The money which under the McKinley law circulated at home now circulates in Europe. the McKinley law circulated at home now circulates in Europe. The wages once paid American labor are now paid European labor. Every day's labor by an Englishman on goods consumed here is one day's labor less for an American. How long can we remain out of the hands of a foreign receiver if this condition remains? What is true of individuals is no less true of nations. The same economic law applies to both. An individual long buying and seldom selling will soon come to want. The best proof of these remarks is found recently in an editorial from the great London journal, the Financial News, which is as follows:

Fractically every penny that was subscribed in London toward the recent

Practically every penny that was subscribed in London toward the recent American loan has been got back through the expansion in the export of woolens and worsteds. During the last month America bought less raw wool than in September, 1994, but had to pay more for it. The total export value of worsted tissues for the nine months ended September 30, 1895, has been over 18,000,000 greater than for the same nine months of 1894, and the lowering of the American tariff has been the British manufacturers' salvation.

It was believed by some of our own manufacturers that free wool would benefit them, as it would aid them to enter the foreign markets to compete with manufactured woolens there. But this

markets to compete with manufactured woolens there. But this hope has not been realized. It has been a severe struggle with

many American woolen mills to maintain themselves, and such many American woolen mills to maintain themselves, and such manufacturers freely and publicly proclaim their regret that foreign wools were placed on the free list. They have learned that free wools produce free woolens to Americans, and this produces bankrupt American woolen factories as well as deserted sheepfolds. The protective tariff is reciprocal. Contrary to the belief of American manufacturers and tariff reformers, our exports of all kinds of woolen fabrics have decreased. For the first three all kinds of woolen fabrics have decreased. For the first three months of 1894 the exports were \$196,173, while for the same period in 1895, under the Wilson law, they were but \$180,223. For the advantage that was pretended to accrue to the manufacturers a costly sacrifice has fallen upon the American woolgrower. It is estimated that his loss amounts to \$40,000,000 a year. The price of wool to him has declined 50 per cent in the last two years, while his production has decreased from 364,000,000 pounds in 1893 to 264,000,000 pounds in 1895, and the number of sheep has diminished from 49,000,000 pounds in 1895, and the number of sheep has diminished from 49,000,000 pounds in 1895, and the number of sheep has diminished from 49,000,000 pounds in 1895. 204,000,000 pounds in 1895, and the number or sheep has diminished from 49,000,000 head in 1893 to 39,000,000 head in 1895. Take the loss in the value of sheep, and it represents a decline in three years from \$125,909,264 to \$66,685,767, as at present. Our country was the third largest of woolgrowing nations and would soon have been the second largest had the American policy continued. It is estimated that the annual loss to the woolgrowers of the State of Our country was the third largest had the American policy continued. State of Oregon and her two neighbors, Idaho and Washington, in the reduced price on wool will equal \$1,800,000 a year.

THE CHANGE HAS BEEN A COSTLY ONE.

This is the price they pay in the insane attempt to "conquer the markets of the world." Had the McKinley law continued, the American woolgrowers would soon have supplied all the wool con sumed in this country, as they had already reached within 55,000,000 pounds of the entire consumption. What, then, have we gained? Woolen manufactures are but little, if any, cheaper; the gained? Woolen manufactures are but little, if any, cheaper; the raw wool, to the producer, is reduced one-half in value; the American manufacturer is no better off, while a great American industry is rapidly going to destruction. When this is completed and the wool supply of the world correspondingly diminished prices will then advance, but the American woolgrower will have disappeared and the foreigner will fix the price. As it has been with wool so also has it been as to the many other products of American growth and industrial development which were removed from protection and placed under the sharp edge of European competi tion. Lumber is one of the greatest of American industries. In 1890 the capital invested amounted to the enormous aggregate of nearly \$500,000,000. The lumber product was valued at \$390,000,000 and exceeded the value of the iron, cotton, and woolen products, and it employed nearly 800,000 people. Even under the McKinley law the foreigner was enabled to pay \$1,139,000 in tariff duties to enter our market with his lumber. In three Pacific Coast States—Oregon, California, and Washington—the wages paid in 1890 amounted to \$7,715,000. There was not \$3,000,000 paid in lumber was sin those States in 1895 and the Wilson bill. It was ber wages in those States in 1895 under the Wilson bill. It was predicted that lumber would be cheaper to the consumer under the Wilson bill. This, however, has not resulted. Lumber is no cheaper than it was under the McKinley bill. The mill owners have suffered, the whole country has been punished, and the consumer is not benefited by cheap prices. We lose the revenue to the Treasurer and the foreigner large is benefited. the Treasury and the foreigner alone is benefited.

THE FARMER HAS SUFFERED MORE THAN ALL.

Looking to the agricultural list, we find that the farmer has, perhaps, suffered more than any industrial class. To him no market is so profitable as that which brings in close proximity the farm and the factory—the consumer and the producer. Our observation teaches us that farm lands which are nearer to manufacturing centers are higher in value, and the profits are greater than from the farm lands more remote. It is to our interest to encourage the home market rather than the foreign market, and as a result only the surplus of our productions would find their way across the oceans. Only the single inducement found in cheap labor abroad could justify the foreigner to transport from across the Atlantic Ocean to our markets so many of the common farm products the like of which are so abundantly grown in our own country. Within the last ten years the statistics show we have sent ten millions of American gold abroad to buy the one product, such as potatoes. We buy them from such remote countries as Scotland and the British North American provinces, from Germany, Beland the British North American provinces, from Germany, Belgium, and from the Bermuda Islands. A farm product so common with us, it would seem, should be produced sufficient for our entire demand, to the exclusion of the foreign product. It would be if the American product was sufficiently protected. Take another item, such as eggs, for instance. The egg product of the American farm amounts in value to \$100,000,000, and it is estimated that if to this we add the poultry product of the farm we shall have \$300,000,000 as the annual output for these items. In 1893 the entire wheat yield of our country amounted to 396,000,000, such a the egg and poultry sales of the American farmer actually exceed the value and poultry sales of the American farmer actually exceed the value of his entire wheat crop. Since the repeal of the McKinley law

immense shipments of eggs and poultry are daily entering our

markets from the most remote countries.

Take, again, the item of hay. Over \$20,000,000 of this product has been imported from Canada and adjoining countries in the short period since the repeal of the McKinley law. Another great product which suffers is that of the hop. Under the McKinley law the duty was 15 cents, while under the Wilson bill it was but law the duty was 15 cents, while under the Wilson bill it was but 8 cents, per pound. We bought fewer hops under the McKinley bill than ever before, because our market was restricted more to the home supply, and prices were higher under the McKinley law than they were before. While it is true that we ship largely to the foreign markets, it must not be forgotten that we sell more to our own market than to any foreign nation, or to all combined.

Another product which has seriously suffered is that of the prune. California, Oregon, and Washington are now producing extensively of this fruit, and much labor and capital are annually being invested in this enterprise. The reduction of the McKinley

extensively of this fruit, and much labor and capital are annually being invested in this enterprise. The reduction of the McKinley duty on prunes invited a large importation of the foreign fruit to America. Under the McKinley law this importation was reduced to 23,225,821 peunds from 67,000,000 pounds under previous laws. Here was a demand in our own market for nearly 44,000,000 pounds previously supplied by the foreigner, which under the McKinley law was supplied by the American. The injury done the home producer is not so much in the foreign supply to this market as it is in the lowering of the home market price to meet the competing price of the foreign rival. The American grower suffers a loss of market and a loss of price. European cheap laborers and American free traders unite to inflict the blow. One is as dangerous to American labor as the other.

dangerous to American labor as the other.

Another great product of the American farm is wheat, and it, too, is affected by the influence of the tariff. Our nation in 1898 had a surplus of about 120,000,000 bushels for export. had a surplus of about 120,000,000 bushels for export. It came in contact in the European market with a surplus of 230,000,000 bushels from Argentina, India, Australia, Chile, and Canada. The American surplus in the foreign market is sold at whatever price is fixed by that market. The only relief to our people is in less production or in increased home demand; and increased home from the complete of demand must come from a judicious tariff which will encourage diversified farming and increased consumption by enlarging the manufacturing industries among our own people. A free-trade policy tends to discourage home manufactures and drives that labor from the factory to the farm, and this increases the farm products and adds to our wheat surplus in the already overstocked markets of Europe. While our home market was more than ever the products and adds to our whome market was more than every considered to the farm of products and adds to our wheat surplus in the already overstocked markets of Europe. While our home market was more than ever supplied by American farmers, under the McKinley bill our sales to the foreign market were greatly increased. The farm products exported in one year under that bill amounted to \$793,717,000—indeed 78 per cent of our \$1,030,723,000 of foreign exports was from the farm. The McKinley bill increased our sales abroad \$200,000,000. Then the money of Europe came to America, now the money of America goes to Europe. Is it not easy to see why money is scarce now in our nation? money is scarce now in our nation?

money is scarce now in our nation?

A BANKRUPT THEASURY THE LEGACY OF FREE-TRADE POLICY.

We find the condition of the Treasury as bad as we find the material interests of the country. Under the last year of the Harrison Administration the receipts were \$385,819,629, while the receipts of the first year of the Cleveland Administration following were \$296,960,330, or a falling off to the enormous extent of \$38,857,298. Under Harrison there was a surplus in the Treasury, and the national debt was reduced \$259,000,000. Under the Cleveland Administration there is no surplus and no debts paid, but, worse than all, there is a deficit and the national debt increased \$162,000,000. In fifteen months' time the revenues under the Cleveland tariff left us a deficit of \$70,000,000. There is now not a single month that the expenditures do not exceed the receipts; indeed, we are going behind at the rate of four million a month. As it was under the free-trade Buchanan Administration, so it is As it was under the free-trade Buchanan Administration, so it is now. We are spending more than we are earning. We are appealing to the bankers of the world to come to our rescue. Three bond issues have already been made, and the Rothschilds and Belmonts are preparing to negotiate a fourth.

The whole difficulty, disguise it as they may, is that the revenues of the Gevernment under Democratic policies are insufficient to ment the necessary expenses.

to meet the necessary expenses. The expenses are greater than the receipts. Articles which under the McKinley bill produced large revenues on foreign importations are now placed on the free list, and we lose those revenues. The result is that the Government, in order to maintain the reserve fund, must obtain erament, in order to maintain the reserve fund, must obtain money by other means, and it resorts to borrowing. The President asks Congress to approve of his alternative. I can not for one see my way clear to approve of further increasing the national indebtedness by bond issues and can not vote for such relief. President Harrison had no difficulty in maintaining the public credit and providing for the reserve fund and defraying all the expenditures of the Government, and even reducing the national debt, and there is no reason why the same means under Harrison will not now under Cleveland produce the same relief. The Re-

publican party has severely arraigned this Administration for its ready resort to auctioning off the credit of the country, through bond issues, to every sordid syndicate, and now, sir, it is late in the day and comes with poor grace to solicit the approval of a Republican Congress, in time of profound peace, to the resort of further adding to the enormous bonded indebtedness. The bill now before us will give the President \$40,000,000 by Republican protection. I would gladly go still further on this line, if I thought it would not meet an Executive veto; but to add to this relief an authority for bond loans will not, in my judgment, be approved by the people. Already intense disgust and indignation are expressed as to the advantage taken of our necessities through the imbecility of those who represented the Government in its deal with the shylock syndicate for sixty-odd millions of dollars in which bonds worth 120 were sold for 104‡. This wanton and unjustifiable loss of \$10,000,000 into the hands of a mercenary band of European and American money speculators is mercenary band of European and American money speculators is

mercenary band of European and American money speculators is without a parallel in any country.

If the Administration had no other way to avoid national bankruptcy than by bond issues, an appeal to the American people alone would have negotiated the entire loan at home, and the legitimate price of the bonds would have been realized, as they would

imate price of the bonds would have been realized, as they would have been taken eagerly in the open market and \$10,000,000 of the nation's treasure saved.

However we may view the subject, it is still a most painful one. Everywhere we behold incompetency, financial embarrassment, and losses which the country has been compelled to suffer by repudiating the wholesome doctrine of protection. It is not an overestimate, sir, to say that the two first years of Mr. Cleveland's administration have cost this country more than the entire indebtedness incurred by the latewar. As a person in robust health exhibits the effects of sickness less than one already enfeebled, so it may be said of our unhappy nation—that had not the previous thirty years of prosperous Republican rule made us strong, rich, self-reliant, and resourceful, we should ere now have been in far greater peril, bankruptcy, and discredit.

A nation can ill afford to risk few such costly changes in a hundred years. The time has surely come, sir, when we should be less

A nation can in alrord to risk few such costly changes in a hundred years. The time has surely come, sir, when we should be less European and more American in our business, our policies, and our principles. But that wisdom, patriotism, and patience which at all times sustains the American people has at last come to the rescue. In the last Congressional elections public sentiment found expression for the first time, after a full trial of so-called tariff expression for the first time, after a rule trait of so-called tariffered in this country in later years, and there was witnessed such an uprising and such a popular revolt as has never before occurred, even in war times. States which for thirty years had stood solidly in the Democratic column wheeled into line for prosection, and as I look over this Chamber I see twenty-four States with not a single Demogratic Representative. In the last Congress there was a Demogratic House with a majority of 90, while in this House there is a Republican majority of 140.

THE REPUBLICAN PARTY EQUAL TO THE EMERGENCY.

Barely a week has elapsed since the President, in a special message to us, proclaimed the credit of the nation to be in danger and urged upon us immediate passage of relief measures. Every member of this House was at once notified of the pressing emergency, and before this day ends we shall pass such a revenue bill as will protect the public credit and prevent the deficiencies in the current business. The condition is a grave one, but the Republican party is equal to the emergency and will bring to it prompt and businessike methods.

The bill before us does not attempt generally to revise the tariff. The bill before us does not attempt generally to revise the tariff. Its object is, rather, to increase the revenue by increasing some duties and restoring others, until the complete restoration of the Republican party to power, when, with a Republican Senate and a Republican President to cooperate with this body, there will be such a restoration of duties as will once again guarantee protection of American interests all along the line. This measure is based on protection doctrine, and it will provide \$40,000,000 by duties on foreign imports. There will be no surrender of Republican policy; and if President Cleveland should decline this aid we shall still feel that we have performed our duty to our country without the sacrifice of those principles of revenue taxation which we believe most conducive to the presperity and happiness of a free people.

AMERICAN POLICIES FOR AMERICAN PROPLE

AMERICAN POLICIES FOR AMERICAN PROPILE.

It is a relief, sir, to know that the day has already dawned for a return to American policies and American institutions.

The first act of the Republican majority in this Congress was to rebuke the American ambassador to England, Thomas F. Bayard, for a speech delivered last month to the English people, in which he belittled his nation and scoffed at and abused the political policy entertained by a majority of our people. It was thought by many in this Chamber that an American official, whatever be his station, who would so far forget his country as to denounce a large body of the people whom he represents, should not only receive a stern rebuke from that country, but that he should be impeached.

There is already too much toadying by private American citizens who go to Europe and who at once become so affected with anglo-mania and with monarchial forms and society blandishments that they deem it the proper thing to ridicule and then to apologize for their native land and its institutions. Such people ogize for their native land and its institutions. Such people should be expatriated; but in the case of an American officer guilty of like offense, he should be impeached and driven into solitary exile by the sentence of a drumhead court-martial. The President should not have waited for Congress to notice and punish this unpardonable offense. He should himself have recalled his recreant ambassador and reminded him that only Americans were wanted to represent this nation at foreign courts.

THE MONROE DOCTRINE AN AMERICAN DOCTRINE.

Then again the majority in this Chamber were quick to resent the indignity attempted by England upon the Republic of Veneguela. We voted the President \$100,000 to investigate the issue between the two countries and to determine whether the facts would warrant us in deciding that the cherished American Monroe doctrine had been violated by extending any foreign territorial possession upon the soil of that Republic. We love our country and roe doctrine had been violated by extending any foreign territorial possession upon the soil of that Republic. We love our country and revere its institutions, and we worship the old Stars and Stripes, the emblem of its liberty, its union, and its glory, and if there is any issue which our people regard paramount to another it is that the integrity of this nation shall be maintained; and whether the menace approaches us from without or from within the combined power of our mighty nationality will respond quickly to defend

ainst the aggression. We have no concern with foreign alliances or usurpations in the Eastern world, but we do declare that as to American Governments they shall not be subject to the domination of European powers. It is characteristic of England to extend her possessions ments they shall not be subject to the domination of European powers. It is characteristic of England to extend her possessions in all directions, and among the weaker powers her lines are extended from one point to another until she occupies an entire empire of the rightful claimant. The early settlers of my own State once learned to experience the grasping and imperious exactions of that power in the dispute over the Pacific Northwest. The British claimed the Columbia River Valley and the vast regions north of it. They extended their trading ports and fortified as they advanced, and continued to dispute the peaceful settlement of Americans within the country claimed. The Americans insisted on their right to all the country up to latitude 54° 40′. President Polk's Administration brought the controversy to an issue. The eloquent old Thomas H. Benton announced in the United States Senate that the best means of establishing our right of possession was by occupancy and the planting of 30,000 rifles of possession was by occupancy and the planting of 30,000 rifles in the Valley of the Columbia. The war cry of "Fifty-four forty or fight," which resounded throughout the nation, was the most or fight," which resounded throughout the nation, was the most effective assurance to Great Britain that we would assert our rights, and then, and only then, was a peaceful compromise effected. It has, however, always been regretted that we finally yielded so far as to accept to the forty-ninth degree. Looking still farther to the north of us we behold the lion's claw slowly and stealthily advancing over the distant Territory of Alaska. The usual pretext of boundary line is asserted as the basis of a claim, as it is in Venezuela.

We also recognize the possible conflict which may yet arise over the occupation by Americans of the proposed route of the Nicaragua Canal. There Britain likewise interposes an objection and asserts a joint right accruing to her under the terms of an obsolete and much misunderstood treaty made fifty years ago, and known as the Clayton-Bulwer treaty. That treaty has long since become inoperative and void. The construction of the Nicaragua Canal—now since the progressive Republican party is soon to be

Canal—now since the progressive Republican party is restored to power—is an assured fact. For commercial benefit, as well as for military defense, its construction is deemed to be one of well as for military defense, its construction is deemed to be one of the indispensable undertakings for the United States, and a general understanding seems to pervade the public mind that this great work shall go on, and that it shall be built by Americans and by American capital and under governmental control. We shall build the canal first and interpret the treaty afterwards, and neither the item of cost nor British intervention will stand in the way when the procession is ready to move toward active operations.

THE ANNEXATION OF THE HAWAIIAN ISLANDS.

The annexation of the Hawaiian Islands will be another great achievement for a patriotic Republican Administration to undertake. The responsible and energetic class of those people are American in heart, and many in nativity, and, above all, they are lovers of a republican form of government, and longingly hope that they may become a part of our great nation, to live under the Stars and Stripes, and to acknowledge their allegiance forever to its authority. The first flag they hoisted when independence mowned their efforts was that flag, and when it was hauled down by the direction of Grover Cleveland they continued to hope that in some day it would be restored to its place to float over their entire possessions by the authority of another President of the American Republic. There stands, however, the American sential, armed with the Monroe doctrine, and, watching foreign de-

signs upon those islands, solemnly declares to the nations of Europe that their institutions must not find new sway in the Western Hemisphere, or in the language of President Monroe himself: We should consider any attempt on their part to extend their system to my portion of this hemisphere as dangerous to our peace and safety.

This is the doctrine of America for Americans.

The Washington maxim, "In time of peace prepare for war," while it admonishes us now more than ever to place our coasts in a position of defense by the erection of fortifications and the best approved armament, as well as for the construction and maintenance of an efficient and powerful navy, the same maxim also reminds us to guard against other dangers which menace the in-tegrity and perpetuity of republican institutions.

Complaint is justly made that the gates of Castle Garden swing too far inward. The immigration to our shores in recent years of the criminal, the vagrant, the anarchist, and the irresponsible dregs which incite and foment disturbances, social disorders, riots, and destruction of valuable property, and even life, while they indulge in incendiary harangues and contemptuous and in-sulting threats against the authority of our laws and the peace sulting threats against the authority of our laws and the peace and good order of our communities, should cease, and these enemies to all organized government should find no admission to our shores. They pollute and desecrate the temple of liberty. A sound protective policy must exclude these people as it excludes Europe's other cheap products. They do not come, as our fathers did, and as so many others still come, for bona fide citizenship and for the liberty it confers—constitutional liberty to them is tyranny. Their mission is to destroy, not to build. Let them understand that the mere oath of allegiance does not make the citizen of this Republic. If aliens are not attached to the principles of the Constitution they can not be made true citizens, and no oath can make them such. Until they can come up to this high standard they should find no refuge in this country. Some of the best blood of our nation is of foreign birth, but it is loyally American, and will be the first to resent an insult to the flag of American, and will be the first to resent an insult to the flag of the Republic. These citizens are not sympathizers of anarchy and misrule.

THE COMMON SCHOOL IS THE HOPE OF THE REPUBLIC.

In the education of their children let these doubtful citizens understand that the common schools of America are the nurseries of the Revolution and learn the meaning of the conflicts of Lexington, of Bunker Hill, and of Yorktown, and there, too, they are taught to revere the memory of the immortal Washington, of Patrick Henry, of Hamilton, and Jefferson. There they will also learn that the illustrious Lafayette, De Kalb, Pulaski, and Kosciusko came to this country from their foreign benefit of the conflicts of the conflicts of the interest of the conflicts of the conflict of the conflicts of the conflict of t ciusko came to this country from their foreign homes not to tear down liberty but to offer their lives for its establishment, its maintenance, and its perpetuity. There they will behold in the splendid public-school edifices of the great cities, and even in the humble common-school log houses in the forests and on the fron-tiers of the remote West, the starry flag of our Union, itself teach ing an object lesson of the dearly bought and precious legacy which it symbolizes.

ANARCHISTS, CRIMINALS, AND VAGRANTS MUST BE DENIED NATURALIZATION.

That better safeguards may be provided against the dangerous elements which so seriously threaten the stability and permanency of our Republic, I should be glad to unite in such legislation as will restrict citizenship so far as to exclude entirely the persons I have mentioned, and also for such further legislation as will require our courts to exercise greater care in the naturalization of aliens. The law provides that it shall be made to appear to the satisfaction of the court that during the time the alien has resided within the State or Territory "he has behaved as a man of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the same." In the face of this requirement, however, the courts in our great cities, just before election especially, manifest such indifference and disregard of duty as to make the admission to citizenship a burlesque and a scandal. Vast numbers of the most obnoxious persons, who can neither read nor write and have ANARCHISTS, CRIMINALS, AND VAGRANTS MUST BE DENIED NATURALIZATION. most obnoxious persons, who can neither read nor write and have no conception of our Constitution or the obligations which it im-peses, take the solemn oath of allegiance with uplifted hand, ignorant and indifferent as to the high qualifications which it confers. Men of notoriously bad character, bribed voters, anarchists, bomb throwers, and red-handed ruffians deliberately violate the law of naturalization, as if it were intended for outlaws and not for honest men. The time has come, sir, when it should be understood that our free institutions are for those who appreciate and observe them, and, while the fruits of the tree of liberty are within the reach of all citizens, that in enjoying those fruits they must not and they shall not girdle the tree

REPUBLICANS WILL PROTECT THE OLD VETERANS OF THE WAR.

As we are discussing in this revenue or tariff bill the great question of protection, I have not deemed it inappropriate to refer

as I have also to that protection which shall go to our social and political institutions. One is for safety, and the other for revenue; both necessary for national preservation.

In conclusion, I may be excused for referring to another pro-

tection, which, it is expected, the Republican party when in full power will not overlook, and that is in a generous regard for the care and veneration of the old soldiers of the war for the Republic. care and veneration of the old soldiers of the war for the Republic. Day by day their numbers are diminishing, and soon the places that now know them will know them no more. The magnificent Republic which they preserved, the vast wealth and prosperity which followed, and the liberty and happiness which are ours to transmit to our posterity are blessings for which every day in our lives we should feel grateful to these old veterans of the greatest war of record. war of record.

war of record.

Thirty years have passed away since these patriotic men responded to their country's call. Many were then in the flush of young manhood. The exposures which thousands of them endured no mortal tongue can tell. Official reports show that of deaths during the past year 63 per cent was from disease of service origin, and in other cases life was shortened by the hardships incident to the ordinary service. No man ever entered that service and was discharged from it with such health and bodily vigor as when he was first mustered in

when he was first mustered in.

when he was first mustered in.

Much of the past generous legislation by the Republican party has been rendered ineffective by unfriendly interpretation since then. The old soldier justly insists that after he has furnished his proofs and been granted a pension, he can not be deprived of it without due process of law. It is an injustice that pensions granted years ago on proper evidence then obtainable should now be reduced on no showing. Every day notices are going out as to reductions from \$12 to \$8 and still lower, and many entirely cut off. Rejections of applications are made after years of accumulation of evidence, and when a second application is filed cut off. Rejections of applications are made after years of accumulation of evidence, and when a second application is filed for the same disability and granted largely on the evidence at first submitted, no allowance is made for the interval of time. Much delay is caused, as well as vexation and expense, in establishing nonessential details after the disability applied for is fully proven. The men who fought under Grant, Sherman, Sheridan, Logan, Thomas, Hancock, and Sedgwick, and those other brave men who bore the brunt of the naval battles on the high seas, are entitled to greater consideration and generosity on the part of the great Republic saved by their heroic deeds, their matchless valor, and their sublime endurance.

The Bond Bill.

SPEECH

HON. RICHARD BARTHOLDT,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES.

Saturday, December 28, 1895,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. BARTHOLDT said:

Mr. SPEAKER: While this question is being discussed in the House, the Bureau of Engraving and Printing is preparing, under an order of the Secretary of the Treasury, the plates for a new bond issue. This fact simplifies the situation very materially. It means that bonds will and must be issued, no matter what the Congress will do. It means that the spirit of insolvency conjured to the Democratic missule therefore. House and leveling Congress will do. It means that the spirit of insolvency conjured up by Democratic misrule threatens Uncle Sam, and, leveling a pistol at his head, asks him for "your bonds or your life!" and it means that the Administration, in order to avoid bankruptcy, has already decided to issue bonds, the same as has been done twice before, namely, under the law of 1875, which authorizes the kinds, 5 per cent ten-year and 4 per cent thirty-year bonds. The Administration was ready to issue such bonds when it sent forth its alarming messages, and the financial situation, accentuated as it was by these messages, now compel it to speedily carry out its plans.

plans.

This demonstrates clearly that the arguments of such of my colleagues as oppose the issuance of bonds as a matter of principle are not applicable now. The question confronting us is not whether bonds shall be issued at all, but whether, such issue being inevitable, Congress can not enable the Administration to float them under terms more favorable to the people than are specified in the law just quoted. The vast majority of the Republicans on this floor, among them all the distinguished leaders, are answering this question affirmatively by the advocacy of a bill which not only reduces the rate of interest and time of duration, but also provides that the bonds to be issued shall be first offered to the

people of the United States by advertisement, so that our own people shall have an opportunity to purchase them if they so desire. I am willing and ready to support this bill as the best we can hope to get through the Senate and as a very material improvement on the statute under which bonds will be issued should this bill be defeated. The 3 per cent bonds authorized by this measure will on a ten-year loan save the people interest to the amount of \$10,000,000, and will besides remain in the hands of our own people.

people.

In the light of American history Republicanism means the redemption, not the issuance of bonds, and if the Republican party had remained in power Congress, it is safe to say, would not to-day be called upon to strike a bargain with capitalists and creditors. This is, let me say to my friends on the other side, not the claim of "pernicious partisanship," but the now commonly accepted theory of the country and the people, based as it is upon the history of a generation. While the revenues exceeded or equaled the expenditures the greenbacks were no source of trouble whatever expenditures the greenbacks were no source of trouble whatever to the Government; and we therefore claim to-day that they will to the Government; and we therefore claim to-day that they will be rendered harmless as a gold-withdrawing factor as soon as we succeed in again making both ends meet in the national household. This is the principal reason why this Republican House does not believe in the immediate retirement of the greenbacks and why the President's attempt to force the hands of Congress in this respect will be a failure. With the increased revenues resulting from the emergency tariff bill passed a few days ago, the needs of the Government will be amply provided for, and consequently the retirement of the greenbacks is deemned. So, strong is this conviction that quite a number of my colleagues. So strong is this conviction that quite a number of my colleagues on the Republican side of the Chamber are determined to vote against this new bond bill for the sole reason that it may indi-

so strong is this conviction that quite a number of my colleagues on the Republican side of the Chamber are determined to vote against this new bond bill for the sole reason that it may indirectly and partly effect such retirement.

It is a mistake, of course, because the bill prohibits it in specific terms; but the vote will show, nevertheless, how little real sentiment and sympathy the President's proposition finds in the ranks of both political parties at this time. The popularity of paper money, as manifested during the last few weeks, is perhaps an indication of the world's advancement in the direction of the ideal money of the future. It is a constant process of evolution, from shells and hides to iron, from iron to brass, from brass to copper, from copper to silver, from silver to gold; and now the time is probably not far distant when the circulating medium, with the exception of small change, will be nothing but paper—paper backed and secured, of course, by the precious metals stored in the Treasury or in the banks.

But, Mr. Speaker, this is not the time to enter into any general discussion of the financial question. We are confronted with two dangers, an unfavorable balance of trade, and, as a consequence, a rapidly vanishing gold reserve, on the one hand, and a monthly excess of expenditures over revenues on the other. It is "a condition, not a theory"; it is a grave emergency, which may be denounced by the partisan and deplored by the patriot, but one that must be met in a patriotic spirit, and must be met at once. It is unnecessary at this time to remind the people that the Republican party is not responsible for this state of affairs, or to point out the malefactors, for the people have already begun chastising them, and it is also useless to assert that the Republicans, had they full control of all branches of the Government, would find a prompt and lasting remedy for the evils resulting from Democratic rule, because the record of our party speaks louder on this point than we, in the few hours o

are nothing if not parts of one great unit of patriotic American citizenship.

The two bills offered as a remedy for our temporary difficulties—one to increase the revenue and the other to maintain the gold reserve and to eventually meet deficits in the monthly balance sheets—these two bills are not exactly what our party would propose if it controlled all branches of the Government. Concessions had to be made to the peculiar complexion of the Senate and to the views and politics of the Executive; but it should be stated here, in the interest of our own party and for the information of the country, that never before in our history was it rendered so difficult to live up to the old maxim that all legislation is more or less the result of compromise.

A veritable volley of conflicting ideas and objections came from

A veritable volley of conflicting ideas and objections came from the Democratic camp as soon as this side had made the first step, and Democratic sentiment seemed more at variance on this question than Republican sentiment was with either of the many Democratic views. While the President and the Secretary of the Treasury insisted on the retirement of the greenbacks as the only remedy, the distinguished gentleman from Georgia, the leader of their party on this floor, declared openly, contrary to the Presi-

dent's views, against such retirement; and while one good Democrat reiterates, amidst Democratic applause, the arguments in favor of the free and unlimited coinage of silver, the other good Democrat predicts, amid the applause of his party, such a measure to become the calamity of the age. But when it comes to a vote, I believe all the Democrats, the gold men and the silver men, the greenbackers, the "cuckoos," the bond-syndicate men, the Democratic friends and the Democratic foes of the Administration, all will yoke as a unit against the Republican measures of relief: will vote as a unit against the Republican measures of relief; nearly every one of them for a different reason. The main reason, of course, is the Republican authorship of these propositions, the same as always controls Democratic action when that party is in the minority. Thus our friends on the other side have returned the minority. Thus our friends on the other side have returned unchanged from the November funeral of their party, divided when in power, unterrified when out of it. This is the lesson of our proceedings here. It will help to guide the people next No-

To this side of the House, however, this teaches the lesson that neither by concessions nor arguments can we succeed in persuading our Democratic friends, in view of the necessities of the situation and the dangers threatening the country, to momentarily lay aside all partisanship and join hands with us in any honest attempt to formulate measures of relief in emergency cases. This being the case, the Republican majority should, without looking right or left, adopt the motto "Be sure you are right and then go ahead."

The Tariff.

SPEECH

HON. BENTON McMILLIN,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, December 26, 1895.

The House having under consideration the bill (H. R. 2749) to temporarily acrease revenue to meet the expenses of Government and provide against a

Mr. McMILLIN said:

Mr. Speaker: I want to call the attention of the gentleman who has just taken his seat, the attention of his colleagues on the Ways and Means Committee and of the majority in this House, to a ver wise warning that was given them early in the action, which I think they would do well to heed now. On the evening on which the present Speaker was chosen in the Republican caucus to be presented as their candidate for the high office he now holds he is credited, in the report of his speech, with uttering this warning

History will accord us praise for what we did in the Fifty-first Congress and it may accord us praise in this for what we do not do.

Laughter.]

[Laughter.]
Now, gentlemen, this that you are doing to-day is one of the things to which that suggestion would very appropriately apply, for the country will give you more praise for abstinence than for continuance on these lines.

To-day, Mr. Speaker, we are confronted by an extraordinary situation. There is upon the statute books an old law, passed many years ago, to provide for the sustenance of the public credit and the maintenance of specie payments. That law was passed at a time when it was impossible to float a bond bearing only 3 per cent interest, or a rate much less than that provided for in the statute. As the holders of money at that time knew the probable exigencies of the Treasury for years to come, it was also impossible to obtain money on a short-time, low-rate bond, such as we can get to obtain money on a short-time, low-rate bond, such as we can get money upon to-day. But the situation having changed with our great national growth and prosperity, it turns out now that whereas the bond provided for in the old statute is the only bond that the President of the United States and his Administration have legal authority to sell, we can get money on shorter time and at a lower rate of interest; and the President has suggested that view to Congress and asked that authority be given him to take advantage of it.

advantage of it.

In the next place, just before that suggestion was made the President, in his advocacy of that national policy which was first radvocated by Jefferson, first promulgated by Monroe, sent to this House a message proclaiming the ancient doctrine of the Democratic party, which I am glad to say has become the doctrine of this whole country—"the Monroe doctrine." Taking advantage of that promulgation, the English holders of our securities thrust them back upon us in an attempt to break our markets. England did what she always does in such cases—attempted to attack her adversary not at first with bullets, but through his financial weakness. To a certain extent they did break the market for our

securities, and in the opinion of the President it became immediately important that there should be such a change made in the law as would authorize the sale of a bond at a low rate of interest, if bonds were to be issued, in order that we might not be com-pelled to pay the high rates provided for in the old statute. Thus far I do not think there can be any dissent from my statement of

When that message, reaffirming the Monroe doctrine, came here, I say candidly that in the seventeen years of my service I have never beheld such a scene in this Capitol, and I never expect to see another like it. Throughout these halls and corridors, throughsee another like it. Throughout these halls and corridors, throughout this great building, from crypt to dome, the patriotic voice of the people's representatives resounded, proclaiming that the President was right and that the people of the United States would stand by him in upholding the Monroe doctrine. Then, taking advantage of the necessities of the Government, gentlemen on the other side of the Chamber—I say it with all candor and without any dispersition to hypersiticity, have some any appropriate the same and the propriate of the chamber—I say it with all candor and without the dispersition to hypersiticity, have some any appropriate of the chamber. any disposition to hypercriticism—have come and proposed a condition precedent to any relief.

There is no complaint that there is not money enough in the Treasury. There is money enough to supply any possible defi-ciency for three years to come. But these gentlemen say, "We will provide for bonds bearing lower interest instead of high interest, but before doing that we will impose upon you a bill creating additional taxes or increasing existing taxes. That is, they proclaim to the world in the hour of the country's extremity that they will allow the Administration to sustain the public credit if we will permit them to engage in some more public plundering. we will permit them to engage in some more public plundering. That is this proposition, unmixed, unmitigated, extenuating naught and naught setting down in malice concerning it. Now, are we going to sit here and submit to such terms? Are we going to say that patriotism and plunder go hand in hand and that patriotism can not advance a step unless we allow the increase of taxation to go with it? I am not in favor of running the Government by bond issues. But, sir, if you are going to authorize the issue of other forms of bonds instead of those now authorized, don't seize mean that as an excuse for rillinging the people by wear assue of other forms or bonds instead of those now authorized, don't seize upon that as an excuse for pillaging the people by useless taxes. Doing so, the majority of the Ways and Means Committee of this House thereby put themselves in a very awkward light before the country, and the country in an awkward light

before the world.

But that is not all that is embraced in this extraordinary propo-But that is not all that is embraced in this extraordinary proposition. They propose not only to do this, but to do it by a method that is almost as reprehensible as the thing to be done. It is known that there are men upon that side of the House and men upon this—men of all parties—who are not willing to return to the protection camp from which you gentlemen of the majority were driven in 1890; but it has been artfully provided here by a special rule for the consideration of this measure that those men can not utter any complaint, or, if they do complain, they can not make their complaints effective by offering amendments to or a substi-

tute for this high-tax measure.

They say you must take the bill in toto, gentlemen, whether you like it or not, and for the first time in the history of our Government there is to be a general revision of the tariff law, affecting thousands of articles, affecting everything that enters into the commerce of this country except what is on the free list and sugar—I say there is to be a general revision of the tariff law in this summary way, yet not allowing any one of the 356 representatives of the people sitting here to have any power to amend the bill if wrong or say that the rates shall be reduced on any article or in-creased on any other. They are not even allowed to raise their voice in protest, the rule is so stringent. I submit, Mr. Speaker, that this is an unheard of proceeding and that such a measure ought not to be put through the House in this fashion. Now, sir, as I stated before, this bill provides that it shall run

for only two years, but there is not a man on that side of the House who will claim in candor that we can not, out of the seventy-seven millions of surplus money that we now hold in excess of the one hundred millions held for redemption, meet every deficiency that can possibly arise in those two years. Then why all this hot haste to go on and reimpose taxes? Unfortunately this Congress will meet a year hence, and, again, there will be other Congresses after this has gone. No exigency is upon you demanding any such hasty action or excessive taxes. Ah, Mr. Speaker, that poor fellow Foster who was so much lampooned a few years ago by his Republican brethren for speaking the truth concerning his party's methods—"frying fat out of the manufacturers for campaign purposes"—was, after all, telling what he knew.

I shrewdly suspect that the old game is to be worked again. A great campaign is coming on, funds must be raised, and in order to get them, the manufacturers must be convinced that their in-

to get them, the manufacturers must be convinced that their interests are to be taken care of, and the object of this legislation is to give them that impression, so that they may be put on the fire and have the "fat fried" out of them again. [Laughter and applause on the Democratic side.]

That is the secret of this proceeding. No man here is foolish

enough to believe this can become a law. Few are unpatriotic enough to want it enacted.

TAX LUXURIES.

If we are to impose taxes, why do you not select something less burdensome in its nature? We had taxes on what are known as luxuries—on those things which are not necessaries of life. Let me enumerate a few of them to show where the Republican party has given relief, and to point out a line where they might lay taxes without that oppression which would characterize the levying of them in the manner here proposed.

When the war had closed and a few succeeding years had rolled

When the war had closed and a few succeeding years had rolled by there was on the statute books a tax on circuses. The Republican party repealed that. They relieved circuses and increased the tax on woolen goods. There was a tax on gift enterprises. The Republican party repealed that. Why untax them? There was a tax on jugglers—jugglers! And the Republican party repealed that. [Laughter.] They did not want to tax themselves! There was a tax on lotteries, and they repealed that. These broadphylacteried gentlemen, who thank the Lord that they are not as these poor Democrats, came forward in hot haste to repeal the tax on jugglers and lotteries, and they are proposing to impose additional taxes to-day on clothing instead. There was a tax on the selling of lottery tickets. They repealed that, but left the tax on books. There was a tax on manufactures, a tax which had been imposed to counteract this very specific duty on wool which you are imposing to-day. They repealed that; and they did not take off the corresponding tax on woolen goods. They do not propose to reimpose that to-day, because if they did the "fat" would not

come to the frying pan.

There was a tax on incomes, yielding from forty to seventy millions a year. It was paid by those able to bear it, and they repealed that in hot haste, and left high taxes on food and clothing. There was a tax on billiard rooms. Would you not suppose that billiard rooms could be taxed without any great difficulty or hardship? I know of no particular exigency that should free them from the hands of the taxgatherer. Yet these gentlemen rushed in in hot haste to free the billiard room, while taxing the very clothes of the man standing at his anvil getting his daily bread by his toil. There was a tax on pleasure yachts. They repealed that. Was it not a just tax? There was a tax on bank checks which yielded a large revenue. They repealed that. Where was the injustice of such a tax? Gentlemen, if you must impose more taxation—if you need more money—why do you not turn your patriotic attention to some of these things instead of going to shivering men and reimposing a tax of 144 per cent on their overcoats, or to freezing women and putting a tax of from 90 to 130 per cent on their dress goods?

Mr. Speaker, I am very glad that we live in a period of evolution, because by evolution (if there is anything in the doctrine) we may hope that ultimately these gentlemen will come out particitic statesmen should they continue to progress. Only a few years ago the gentlemen on the other side said it was unwise and unpatriotic to change tariffs horizontally. Only a few years ago a bill was introduced here proposing to reduce taxation horizontally—to take off some burdens horizontally, to make men's lot a little easier borizontally. That movement was led by one of the greatest patriots of any country, a man whose name has only to be mentioned to be recognized as that of a patriot and statesman, William R. Morrison. [Applause on the Democratic side.] Yet when he came on this floor from the same committee to reduce taxes in that way you lampooned him from one end of the country to the other, and you cut the head off his bill. I am glad evolution has brought you up to the point where you can at least see that some wisdom may lie in that direction.

Again, Mr. Speaker, this party came in here with a flourish of

Again, Mr. Speaker, this party came in here with a flourish of trumpets in 1890 and passed what is known as the McKinley law. If they were right in passing it, why do not they have the courage to reenact it? If wrong, why not have the manliness to say so? This bill they bring in now is the most nondescript measure I have ever seen. It condemns all the rates in the McKinley bill, and it condemns all of the schedules except the wool schedule, in which it admits there was 40 per cent excees of taxation—40 per cent blunder. Yet the gentleman from New York [Mr. Payne] who has just taken his seat has had the unblushing effrontery to rise here and threaten the country with what his party will do two years hence. I will tell you what you will do two years hence. I will tell you what you will do two years hence. You will work the "fat-frying" game for all it is worth again but those who are not ready to rob will come in your places. Ah, sir, you came here after the election of Mr. Harrison with just such a boast. You said, "We are in power; we have authority; we are going to run this thing upon our own schedule." You had the President, you had this House, you had the Senate. You passed yourbill. Yourobbed the people, you squandered their money, you went home with a flourish of trumpets, and on election day you

were beaten well-nigh to death and "taken out on a shutter." [Laughter on the Democratic side.]

Your President had to pick up his bed and walk from the White House. The author of the bill was beaten for reelection. A Republican majority in this House was converted to an overwhelming Democratic majority. The Senate was made Democratic You lost the whole Government. And even now you are too cowardly to come forward with the measures you say ought to be adopted. What has become of your courage? Where are your alleged convictions? You have over two-thirds majority in this House; and I ask the gentleman from New York, Why have you not the courage of your convictions? Why do you not bring forward and adopt the measure which you say ought to be adopted? Has past experience made you timorous? Do future canvasses make you fearful?

make you fearful?

I am very glad, Mr. Speaker, that one person who has generally figured very greatly in the mouths of gentlemen on the other side for campaign purposes is left out of this controversy and no longer used as a subterfuge. This is the first time that I have ever seen a tariff bill brought up here when these gentlemen were not folding their arms and walling their eyes and saying that all they were doing was "for the poor laboring man." Now they say that the laboring man is not in it. He is not in demand. He is not in evidence in this bill at all. They say this is a revenue measure; and, Mr. Speaker, I want to congratulate the country that they have at last come to the Democratic doctrine of a tariff for revenue only. [Laughter and applause on the Democratic side.] I congratulate the Republican party on its conversion to that principle.

But, sir, I want to point out to the House now a few more facts in connection with this extraordinary bill. Here is a class to which they call special attention in connection with the matter, the farmers. The solicitude, too, of the gentleman from New York [Mr. Payne] has just been amply exhibited in behalf of the great agricultural class of the country. Now, this bill proposes, according to the statement of the chairman, to raise \$44,000,000 of revenue—to add forty-four millions to our taxes. I want to show you the hollowness and the hypocrisy of the claim that this is in any respect a bill for the benefit of the farming community. They say that they have done very much for agriculture. Let us see. They put 15 per cent additional tax on breadstuffs. How much

does the poor agriculturist get?

On barley—and I call your especial attention to this—he will get the munificent increase of \$38,300. On buckwheat he will get \$1,194 increase, all told, throughout the whole country. [Laughter on the Democratic side.] On corn, that great cereal, that is bursting every barn in the country now, he is to get the magnificent sum of \$213, all told. [Laughter and applause on the Democratic side.] And the millers of the country! They are given the consoling assurance that on corn meal something grand and glorious is to be done for them. Yet the increase in this bill on corn meal amounts to—now listen—just \$5.70. How can the miller and corn grower refuse to vote the Republican ticket after they get this glorious treatment at the hands of the Republican party! [Great laughter on Democratic side.] On oats they do a little bit better, but not much. For all of the producers of oats in the United States they propose to make a donation in the shape of taxation of \$2,384.60. On rye the amount is just \$10.05; and on wheat—now listen, you wheat growers of this country, you who have your tax on clothing doubled or trebled by this bill, you upon whom a large proportion of the taxes making up this \$44,000,000 is to be imposed—what is done for you to-day? What do they give you in this bill? They give you the grand tax premium of \$394.65. [Great laughter on the Democratic side.] And you are to be regarded as rascals if you do not vote the Republican ticketin consequence at the next election. [Renewed laughter on the Democratic side.]

Sir, how do you suppose the exultant farmer will ever suppress his exuberant joy at this magnificent concession to his material prosperity? How can he refuse to be comforted when this legislative munificence is showered upon him? How can he refuse to yote the Republican ticket when thus benefited by the Republican

I imagine I can see the gentlemen of the Committee on Ways and Means as they return homeward singing peans of protection; assembling their constituents around them and extolling and expatiating on the goodness of the Republican party in having contributed this magnificent sum to the farmers of this country. I happen to have in front of me a representative of the agricultural interests of this country—my distinguished friend from Indiana [Mr. Steele] who helped to report this bill. When he assembles around him the grain growers of the Wabash region, I can imagine the applause that will greet the announcement that he has helped them to the extent of \$5.70 on corn meal, and when my good friend from Iowa [Mr. Dolliver], who sits opposite to me and who

may even now be telling his colleague near him how he is going to may even now be telling its colleague near him how he is going to bamboozle the people by describing what he has done when he returns home, I hope he will not forget to tell the great wheat producers of the Northwest that he has succeeded in getting for them the relief the country wants to the extent of just \$394. [Laughter.] But, Mr. Speaker, I fear this little emergency raft will not suffice to carry this load of taxation of \$44,000,000.

If you are to impose taxation at all, then do it in a manner that will be as little harmful as possible to the people. Impose your taxes where they will do least injury or detriment to the masses of the people. You speak of providing for a deficiency, when the Secretary of the Treasury says that there will be none two years hence, and but \$17,000,000 next year with \$77,000,000 surplus to meet it.

THE TEARING DOWN OF THE INCOME TAX.

Mr. Speaker, the Democratic party did not cause a deficiency. To prevent any deficiency, it provided that most just of all taxes, an income tax on the wealth of the country, but, through means I will not mention, through a decision that was never a law until promulgated, through the overriding of the Constitution and tearing down of law, after the collection of \$346,000,000 under a similar provision of law, that great revenue measure was destroyed by the same court that upbeld the other.

I am utterly unable to comprehend this decision. For ninety-nine years the power of the Government to impose such a tax had been sustained by the Supreme Court. During the war an income tax much more searching in its provisions and requiring more rigorous inspection than this was passed by Congress. Time and again its constitutionality was upheld by the Supreme Court. Under it \$346,000,000 of taxes were successfully collected. Under it the wealthy of the country had to help support the Govern-I believe one member of the present court was then a per. He did not rush forward then as a defender of the Constitution. He did not then regard it as an outrage to tax values. After a most thorough argument the constitutionality of that law was upheld. But time seems to have wrought changes—changes in the opinions of courts, as well as everything else. It has even wrought a change in the Constitution through the court.

Sir, the law of the last Congress imposing an income tax was thoroughly argued before the Supreme Court. A majority of the court held it constitutional, but in a few days one of the judges changed. He held that that which he declared a short time before was law was not law. That which he declared was constitutional was not constitutional, and in the twinkling of an eye the decisions of a hundred years were torn down. A deficiency was created and the power of the Government to perpetuate itself by taxation impaired. The distinguished jurist from whose eyes the scales so rapidly fell can congratulate himself that he has never had a superior in tearing down adjudicated decisions or well-founded constitutional law.

INCREASED TAX ON WOOLEN GOODS

But, sir, lest it should be supposed there is any benefit to come to the people from this bill, I want to call your attention briefly to the fact that when this bill shall have passed the House—for it will never become a law—when it shall have passed the House, it will have fixed on certain classes of woolen goods from 90 per cent to 144 per cent; on a very large portion of them from 75 to 100 per cent; and all this done under the pretext of the exigencies of the Treasury.

Mr. Speaker, I will ask the House to go with me for a few moments into an examination of details of the high taxes again imposed on woolen goods by this bill. I have before me samples of

ments into an examination of details of the high taxes again imposed on woolen goods by this bill. I have before me samples of woolen goods out of which our clothes are made, and will give the rates on some of them. These and their cost are furnished by a merchant of intelligence, integrity, and experience, the correctness of whose statements can not be questioned.

No. 1. Sample of English beaver for overcoating, weighing 26 ounces to the running yard, on which the present duty is 40 per cent, is increased by the proposed addition of 60 per cent of the McKinley specific rate to 144 per cent duty.

No. 2. Another sample of cloth for overcoating, weighing 27 ounces to the running yard, which now pays 40 per cent, must

under this bill pay 119 per cent.

No. 3. Sample of English clay worsted, weighing 16 ounces to the running yard, which now pays 40 per cent, must under this bill pay 119 per cent.

No. 3. Sample of English clay worsted, weighing 16 ounces to the running yard, which now pays 50 per cent duty, will, when it has passed under the fostering hands of this body, pay a duty of 44 per cent.

94 per cent.
No. 4 is a sample of English clay worsted, weighing 18 ounces to the running yard. The present duty is 50 per cent, yet this reckless majority proposes to almost double this duty by making it 95 per cent.

No. 5 is a sample of 33-inch serge coat lining made of cotton warp and worsted weft—one-third of the value and weight in the cotton, weighing 41 ounces to the yard. The present duty, 40

per cent, is under this bill increased to 96, which is absolutely prohibitory.

No. 6. A sample of 32-inch black Italian cloth for coat linings made of cotton warp and worsted weft. The present duty of 40 per cent is also increased to 96 per cent by this bill.

No. 7 is a sample of 54-inch black Italian coat lining, cotton and worsted. Its present duty, 50 per cent, is made more than 101 per cent by this bill, which will exclude the goods.

No. 8. A sample of English chinchilla for overcoats. The present duty of 40 per cent is made 128, and the farmer who wears it is to console himself with the thought that while more than 200 per cent has been added to his coat, which he must pay, 15 per cent has been added to his corn and wheat, which he can never

Knit goods under 30 cents a pound, which are 35 per cent under the present law, will be increased to 119 per cent by this bill.

Unenumerated manufactures not above 30 cents a pound in value, which are now 40 per cent, will be raised to 116 per cent, or

Other woolen goods unenumerated, worth from 30 to 40 cents, will be increased from 40 per cent to 104.

Cloths not over 30 cents a pound in value, which are under the present law taxed only 40 per cent, will be taxed 116 per cent by this measure.

Those from 30 to 40 cents per pound in value will be increased

Those from 30 to 40 cents per point in value will be increased from 40 per cent to 108 per cent.

These are only samples, and not the most flagrant ones. Where the goods are less valuable, in many instances the rates are even higher than these. The old rule, so dear to the other side of the House—that the coarse goods used by the poor and humble should be taxed higher than the finer goods—has been most sedulously observed by them. All are taxed too much, but coarse goods are

Sir, I do not wish to be tedious in these details, but at the risk of being so I must dwell upon this long enough to show at least of being so I must dwell upon this long enough to show at least some of the monstrosities of this outrageous and uncalled-for tax on clothing. From investigation I find that a large part of our importations of woolen goods—nearly \$24,000,000 worth of the better kinds—will have the duty or tax advanced beyond 80 per cent, while the cheaper goods will go far above 100. This, too, when the processes of manufacture are constantly cheapening and when a surplus is already in the Treasury.

Now, what is the result of these great increases in practical affairs?

The man who buys a suit of clothes bearing this 100 per cent rate would, if he paid for it with labor, have to work ten hours

for the manufacturer or to pay the import duty for every ten hours it took him to work out the intrinsic value of the goods.

The woman who buys a shawl bearing the 90 per cent rate would, if paying for it by sewing with a machine, have to work ten hours for the goods and then work nine hours to pay this legislative bonus to the manufacturer of the goods or to pay the duty

at the custom-house, if imported.

We say and the Democratic party says no American citizen should pay 100, 90, or 80 per cent import duty or protection on any necessary of life and that no citizen of this country shall pay that

TIN-PLATE INDUSTRY IMPROVED.

Mr. Speaker, the gentlemen on the other side predicted the "utter wiping out of the tin-plate industry" if we dared reduce the rates of duty on tin plate imposed by the McKinley bill. We reduced the duty about one-half, at the same time reducing the cost of materials entering into it, and behold the result. I quote from the report of Mr. Ira Ayer, special agent of the Treasury Department, made October last to Secretary Carlisle, viz:

OFFICE OF SPECIAL AGENT, TREASURY DEPARTMENT, Custom-House, New York, October 13, 1895.

Custom-House, New York, October 13, 1895.

Sir: I have the honor to report that during the fiscal year ended June 30, 1895, the production in the United States of commercial tin and turne plates was 193,891,073 pounds, against 139,223,467 pounds produced during the previous fiscal year, showing thereby an increased production of 39 per cent. Of the production for the year, 160,576,634 pounds, or about 39 per cent, were made from sheets rolled in the United States, against about 62 per cent made from such sheets during the fiscal year ended June 30, 1894.

The production for the year, distributed according to weight and kind of plates, was as follows:

	Lighter than 63 pounds per 100 square feet.	63 pounds per 100 square feet and heavier.	Total.
Tin plates	Pounds. 103, 256, 143 62, 934, 216	Pounds. 17,071,806 10,588,908	Pounds. 120, 327, 949 73, 473, 124
Total	166, 190, 359	27, 610, 714	193, 801, 078

These figures show that about 86 per cent of the production belonged to the class weighing lighter than 63 pounds per 100 square feet, the proportion of the previous fiscal year having been about 96 per cent of the production for that year.

Forty-eight firms were producing during the quarter ended June 30, 1895, as against forty during the corresponding quarter of the previous fiscal year.

Sir, the following is his statement concerning-

BLACK PLATE PRODUCTION.

The production of black plates in the United States during the fiscal year, stated by quarters, is as shown below:

	Lighter than 63 pounds per 100 square feet.	per 100 square feet	Total.
Quarter ended— September 30, 1894 December 31, 1894 March 31, 1896 June 30, 1896	Pounds. 26, 681, 855 16, 801, 660 87, 751, 102 67, 229, 153	Pounds. 5, 570, 511 8, 805, 543 11, 388, 685 11, 342, 990	Pounds. 32, 252, 366 25, 607, 208 49, 139, 767 78, 572, 143
Total	148, 468, 770	87, 107, 709	185, 571, 479

Total production for the fiscal year ended June 30, 1896

Showing an increased production of 87; per cent.

The proportion of such plates lighter than 63 pounds per 100 square feet was 80 per cent, as compared with 82 per cent during the preceding year.

Twenty-eight rolling mills were producing black plates during the quarter ended June 30, 1896, against 30 that were producing during the quarter ended June 30, 1894.

Mr. Speaker, with all this record before them, the majority favor increasing the duty on tin plates and black plates. The roof, the fruit can, and the bucket are all to have their cost increased. I carnestly protest against it. Were the mills shut up? On the contrary, more new ones were built than ever before. The output increased to 193,801,073 pounds from 189,223,467 pounds, or 44,577,606 pounds net increase. Twenty-seven new firms started in the business in the years of the Wilson bill. No mill in the country but that used American black plate, and there were more black-plate mills started than were in existence after four years of the McKinley bill, and, besides all this, the special agent of the Treasury Department, who has followed the tin-plate industry since the McKinley bill became a law, now says that under present conditions there are enough new mills started to make within 10,000,000 pounds of our total consumption in the United States.

When the Wilson bill was under consideration, and everybody who desired in the United States was accorded a hearing, the committee were told—and it was loudly asserted on this floor and elsewhere—that a reduction of the duty on tin plate would close the mills of an infant industry. Yet nearly half that duty was taken off, and with what result? Were wages reduced? No; on the contrary, they were increased and another lot of lugalyrious contrary, they were increased, and another lot of lugubrious prophets are discounted.

Sir, I am rejoiced to see that one specious plea which has always Sir, I am rejoiced to see that one specious plea which has always been made in season and out of season, especially out, is now abandoned by our adversaries, i. e., that the imposition of high rates of duty is made on behalf of labor. There was never any foundation for it. Under the present law, passed last Congress, thousands and multiplied thousands of those who had their wages reduced under the McKinley law have had them restored. Hundreds of industries closed under that have resumed operations under this. Will gentlemen on the other side wantonly or recklessly put an end to this returning prosperity by reimposing taxes not needed? There is not an important schedule in this whole list where the rate of duty does not exceed the entire labor cost in the article under the present law.

ander the present law.

But, Mr. Speaker, time would fail were I to attempt to give all of the increases proposed by this bill. I shall have to content myself with giving samples, that you may form some idea of the cnormities of the bill considered as a whole. I know that what we can say in opposition to it on this side of the House will be unavailing. We have already been told that it is only a tithe of what gentlemen would do if they dared and what they will do if they get full power. We can only say to those on the other side, and do say to them, Go on, gentlemen, in your wild career. Put your madness and folly into statutory form again. You have the majority. Wield it as you have before. Impose these taxes, and then go and give an account to a tax-ridden constituency. With the people we are willing to rest this controversy of high taxes or low taxes, of tariff for revenue or tariff for protection, of taxation or robbery, and we will abide the result. [Applause on the Democratic side.] under the present law.

Silver Coinage and Coin Redemption.

SPEECH

HON. WILLIAM A. PEFFER.

OF KANSAS.

IN THE SENATE OF THE UNITED STATES.

Wednesday and Thursday, January 15 and 16, 1896.

The Senate having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. PEFFER said:

Mr. PEFFER said:

Mr. PRESIDENT: At last the Populist is justified. What he predicted is coming to pass. The people of the United States are coming to see that they are face to face with the strongest, the most powerful combination of men on earth. While our political organization has believed, and still does believe, that among all the great monopolies of the world that which has possession of our land and is fast getting possession of our homes is the greatest; and while we have believed, and still believe, that the growing power of the railway corporations is a standing and a growing menace to the advances of civilization and to popular government, still we believe that the power which is now strongest, that which is pressing hardest and most oppressively upon the people, is the power which we designate the money power. Now, happily, we find that the two old parties out of which we sprang are discussing the various phases of the money question, something that ought to have begun with the infancy of the Republic.

The speech to which we have listened this morning is one of a multitude of evidences showing the trend of public thought. A distinguished member of the oldest, and I do not know but I might say the earliest, certainly one of the earliest, political parties of the country, is now denouncing in his zealous manner the action of a President which his own party placed in power.

a President which his own party placed in power.

Before entering upon the subject under consideration by the Senate, I desire to call attention to the parliamentary situation before us.

A few weeks ago the President in a special message called the attention of Congress to the unfortunate condition of the country's finances, and asked early remedial legislation. By way of information that might serve to guide our conduct somewhat, the President stated that the public revenues are, or soon will be, ample for all the Government's ordinary expenses, and that therefore our troubles do not come from lack of revenue. But the President urges upon our attention that the existence of about \$500,000,000 worth of coin notes, that are to be reissued as often as they are redeemed, has proven to be a standing menace to our financial security; and he expressed the belief that the only safe way out of the trying situation is through the permanent retirement and cancellation of these notes. A few weeks ago the President in a special message called the

GREENBACKS PAYABLE IN DOLLARS

Mr. PLATT. Will the Senator allow me to interrupt him?
Mr. PEFFER. Certainly.
Mr. PLATT. The President speaks of the greenback as a coin one. The Senator himself speaks of it assuch. Is it by law upon

note. The Senator himself speaksor it assuen. Is it by law apolits face to be paid in coin?

Mr. PEFFER. I speak of them as coin notes, and so does the President of the United States; but the difference between us is that the President regards them, under modern construction, as coin notes which are payable in gold coin only. The Senator from Connecticut understands very well that the greenbacks are payable in Johnson of the payable in gold coin only. able in dollars.

Mr. PLATT. That is what I was speaking of—greenbacks.
Mr. PEFFER. They are not payable in coin at all, and it is
only by reason of the credit strengthening act of 1869 that we promised to pay them in coin at some future time, and in 1875 we made

arrangements for doing so.

In response to the President's appeal two bills have been sent to the Senate; one a bill "to temporarily increase revenue to meet the expenses of Government and provide against a deficiency"; the other a bill "to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to

meet temporary deficiencies of revenue."

The first bill was drawn on the theory that the Treasury is in need of more available funds for ordinary expenditures, and that from that fact has arisen our present misfortune.

The second bill is based on the belief that there is no harm to

come from the circulation, redemption, and reissue of our Government notes, provided there be coin enough always in the Treas-

ury to make the redemption easy and certain. And to procure the coin so thought to be necessary the bill provides—

That in addition to the authority given to the Secretary of the Treasury by the act approved January 14, 1875, entitled "An act to provide for the resumption of specie payments," he is authorized from time to time, at his discretion, to issue, sell, and dispose of, at not less than par in coin, coupon or registered bonds of the United States, to an amount sufficient for the object stated in this section, bearing not to exceed 3 per cent interest per annum, payable semiannually, and redeemable at the pleasure of the United States in coin, after five years from their date, and payable in fifteen years after their date, with like qualities, privileges, and exemptions provided in said act for the bonds therein authorized. And the Secretary of the Treasury shall use the proceeds thereof for the redemption of United States legal-tender notes, and for no other purpose: Provided, That nothing in this act shall be construed to repeal or modify an act approved May 31, 1878, entitled "An act to forbid the further retirement of United States legal-tender notes."

In order to be prepared for "temporary deficiencies," this bill

In order to be prepared for "temporary deficiencies," this bill further provides for the issue of \$50,000,000 in "certificates of in-

debtedness" to run three years.

The first mentioned of these bills is now before the Finance Committee of the Senate; and the other is before us, with an amendment proposing to strike out all that relates to bonds and certificates of indebtedness and insert four new sections, as follows:

That from and after the passage of this act the mints of the United States shall be open to the coinage of sliver, and there shall be coined dollars of the weight of 4124 grains troy, of standard sliver, nine-tenths fine, as provided by the act of January 18, 1837, and upon the same terms and subject to the limitations and provisions of law regulating the coinage and legal-tender quality of gold: and whenever the said coins herein provided for shall be received into the Treasury certificates may be issued therefor in the manner now provided by law.

the act of January 18, 1834, and upon the same terms and subject to the limitations and provisions of law regulating the coinage and legal-tender quality of gold: and whenever the said coins herein provided for shall be received into the Treasury certificates may be issued therefor in the manner now provided by law.

SEC. 2. That the Secretary of the Treasury shall coin into standard silver dollars, as seon as practicable, according to the provisions of section 1 of this act, from the silver bullion purchased under authority of the act of July 14.

1800, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," that portion of said silver bullion which represents the seigniorage or profit to the Government, to wit, the difference between the cost of the silver purchased under said act and its coinage value, and said silver dollars so coined shall be used in the payment of the current expenses of the Government; and for the purpose of making the said seigniorage immediately available for use as money the Secretary of the Treasury is hereby authorized and in the Treasury.

SEC. 3. That no national-bank note shall be hereafter issued of a denomination less than \$10, and all notes of such banks now outstanding of denomination less than that sum shall be, as rapidly as practicable, taken up, redeemed, and canceled, and notes of \$10 and larger denominations shall be issued in their stead, under the direction of the Comptroller of the Currency.

SEC. 3. That the Secretary of the Treasury shall redeem the United States notes, commonly called "greenbacks," and also the Treasury notes issued under the provisions of the act of July 14, 1890, when presented for redemption, in standard silver dollars or in gold coin, using for redemption of said notes either gold or silver coins, or both, not at the option of the holder, but exclusively at the option of the Totasury Department, and said notes, commonly called "greenbacks," when so redeemed, shall be reissued

A week ago I submitted an amendment to be proposed to the committee's amendment in these words:

Sec. —, That all laws and parts of laws authorizing the issuance and sale of onds of the United States are hereby repealed.

The first sentence of the amendment proposed yesterday by the senior Senator from North Carolina [Mr. Butler] covers the same ground that I had in mind. The Butler amendment provides, first, that no more bonds shall be issued without express authority of Congress; and, second, that silver coin and gold coin shall be kept at parity by paying out whichever of the metals is below the legal ratio when they are not both at par. I read the amendment in full:

amendment in full:

SEC. 4. That the issuance of interest-bearing bonds of the United States for any purpose whatever, without further authority of Congress, is hereby prohibited; and that the Secretary of the Treasury, when redeeming United States notes, commonly called "greenbacks," and Treasury notes issued under the provisions of the act of July 14, 1890, and who a liquidating either the interest or principal of any of the Government's coin obligations, is hereby directed to make such payment in gold coin whenever the market value of 25.8 grains of standard gold is less than the market value of 412; grains of standard silver; and to continue to pay in such gold coin until the market value of 25.8 grains of standard gold shall be equal to the market value of 421; grains of standard silver; but when the market value of 25.8 grains of standard silver; but when the market value of 35.8 grains of standard silver; he shall pay the interest and the principal of said coin obligations as they become due in silver coin, and continue to pay the same in silver coin until the market value of 412; grains of standard gold; and said notes, commonly called "green-backs," when so redeemed, shall be reissued, as provided by the act of May 31, 1878.

The parliamentary situation, then is this. We have before me.

The parliamentary situation, then, is this: We have before us-First. The Butler amendment, prohibiting further bond issues without express authority of Congress and providing for the maintenance of parity between the metals, using the market price of

bullion as a regulator.

Second. A silver-coinage proposition, with provisions to promote the circulation of silver coin, and a prevision for coining silver now belonging to the Government for immediate use.

Third. A proposition to issue and sell bonds to provide a fund for use exclusively in redeeming Government notes.

POPULIST DOCTRINE-OPPOSED TO THE PRESIDENT.

As Populists we appreciate the force of what the President has communicated to us, and we are ready as other Senators to perform our whole duty in providing appropriate relief. We see

plainly enough that if the President takes a correct view of what will the country and sees clearly what will cure the malady, then we need look no further and ought to respond by doing just what he asks us to do. If the President's premises are well grounded, his conclusion is a logical sequence.

But we differ at the start, we apparate at the threshold. And

But we differ at the start; we separate at the threshold. in this respect we do as a majority of the President's political friends have done, and as a large minority of Republicans are doing—earnestly striving for that which is best and opposing that which is worst as things are seen from our point of view.

are opposed to the sale of Government bonds for any purpose,

doubt whether there is one Populist in a thousand who would now favor a bond sale even in time of war.

Had we resolutely fought the gold speculators in the years 1861 to 1865 as we fought armed enemies on the field of battle, we should now be the happiest and the richest people on earth—out of debt, every citizen owning his home, and the Government reflecting the ropular will flecting the popular will.

While, as an original proposition, if we were about to establish a monetary system, we would not probably favor the use of metal to represent values of all other kinds of property, we take things as we find them and make the most we can out of existing conditions. We find that from early times the precious metals have been used for monetary purposes, and we see that the people of every civilized nation do now so use silver and gold and copper. We take note of present financial methods, and we know full well that the only present practical thing to do in our fiscal policy is to first restore our old coinage laws, so as to increase the volume of circulating money, and provide coin for the payment of our coin debts, and then require officers to obey and execute the laws.

OPPOSED TO BONDS FOR ANY PURPOSE.

Mr. President, I shall first consider the first part of the Butler amendment—the bond question.

I am not only opposed to any further issue and sale of bonds, but am of opinion that there was no warrant in law, and no justification even if there had been such warrant, for either of the late sales. When I consider the havoc wrought by prior bond sales I dread the very thought of what must surely follow in the wake of this destructive operation. And believing that there is neither need nor lawful authority for further issues, I can not but regard further transactions of that character as equal to great public

Bonding a people is a perilous proceeding. We have paid nearly 75 per cent of our debt as it was computed to be at the close of the great war of 1861–1865. We have paid more in the way of interest than of principal. Of principal and interest the total paid up to June 30, 1893, was—

On principal	\$1,914,462,095.68 2,854,612,870.50
Total	4,769,074,966.18
Pensions, same period	1,823,240,560.09
Public debt August 31, 1865 Public debt June 30, 1893	2,756,431,571.43 838,969,475.75
Paid	1,914,462,095.68
Interest paid on public debt, 1866 to 1898 Pensions paid same period	
Difference	1,031,372,310.41

But our business has been so done that our means of payment have been impaired fully 50 per cent since the debt was incurred. This impairment is shown in the fact that, taking a large number of articles produced by the farmers, tradesmen, and manufacturers of the country—articles from the profits on the production of which come the means for payment—it would require as much property in bushels, in number, in pounds, and yards to pay what is yet un-paid of our public debt, as would have been required to pay the whole debt in the beginning at the prices then ruling.

In passing, I will mention a matter which just comes into my mind. From reports made by the Secretary of Agriculture it appears that the acreage of wheat, corn, oats, rye, barley, and buckwheat in 1887 was about \$80,000,000 less than the aggregate value of the same crops in 1867, twenty years before, though the acreage and production were twice as great. The figures are:

	Production.	Area.	Value.
1867	Bushels. 1, 329, 729, 400 2, 660, 457, 000	Acres, 65, 636, 444 141, 829, 315	\$1,284,037,300 1,204,289,370

Twice as many bushels in 1887 as in 1867; more than twice as many acres cultivated, but the value of the crop is nearly \$80,000,000

The figures for the same crops in 1894 are: 2,435,920,676 bushels, 180,392,673 acres; value, \$1,048,006,948. Production and acreage nearly twice as much as in 1867, but the value is less by \$241,030,552

nearly twice as inuch as in 1807, but the value is less by \$241,030,552. If it be objected that paper money was greatly depreciated in 1867, thus making prices abnormal, I give the crop figures for 1879, when specie payments had been resumed. Production in 1879 was: Bushels, 2,437,482,300; acres, 102,260,950; value, \$1,245,-127,719. It will be seen that while the number of bushels was about the same in both years, and the area was 28,000,000 acres more in 1894 than in 1879, the value was \$202,000,000 less.

WHAT THE BONDS WERE SOLD FOR, AND WHAT THEY HAVE COST THE PEOPLE. Banks suspended, specie payment December, 1861. That of course forced the Government to suspend, and early in 1862 Congress anthorized the issue of notes to circulate as money. Re-peated issues were made from time to time, and when the war ended the notes of different classes which had been issued specially for currency and as a sort of security-currency, all of which had to some extent been actually used and reported as currency, amounted to about \$1,900,000,000.

amounted to about \$1,900,000,000.

All of this, except the greenbacks, besides some \$625,000,000 funded during the war period, was put into bonds bearing interest at from 5 to 7 per cent. The bonded debt June 30, 1869, included nearly all the notes that had been issued, except the greenbacks. And these bonds were purchased at an average of about 60 cents on the dollar. By the refunding act of 1870 Congress authorized the funding of the national debt into bonds of three classes: The first class to run ten years, at 5 per cent; the second class to run fifteen years, at 4½ per cent; the third class to run thirty years, at 4 per cent. These new bonds were all to be coin bonds. Up to that time more than two thousand million dollars' worth of our bonds had been purchased for about twelve hundred million dollars in paper money. They were exchanged

dollars' worth of our bonds had been purchased for about twelve hundred million dollars in paper money. They were exchanged for their face value in coin bonds. In the meantime the paper dollar had advanced rapidly toward par with gold.

Besides the profit of \$800,000,000 in the purchase of the bonds and the additional profit coming from the advance in the coin value of paper money, in 1873 Congress changed the basis of our money from silver to gold and stopped the coinage of full lawfultender silver coin. From that time forward, the officers of the Treasury Department construed the word "coin" to mean gold coin in all cases where the Government had to pay out money, excoin in all cases where the Government had to pay out money, except only when silver was demanded. Two years later, by the resumption act of 1875, Congress made provision for resuming specie payment on the 1st day of January, 1879, and authorized the Secretary of the Treasury to sell bonds for coin enough to redeem the United States notes—greenbacks.

Before the day of resumption was reached our paper money was trace and was received the same as coin in payment of interest.

Before the day of resumption was reached our paper money was at par and was received the same as coin in payment of interest on the public debt and for customs dues. These proceedings so greatly enhanced the market value of the bonds we had sold that the national banks found it more profitable to sell their bonds for the premium offered than to keep them as a basis of bank-note circulation. From 1882 to 1890 the bank notes retired and canceled amounted to upward of \$230,000,000, which released about \$255,000,000 in bonds. And from 1879 to 1891 the amount of premium paid by the Government on bonds which were not due amounted to a little over \$60,000,000, while during the same period a yearly average of upward of \$18,000,000 of public moneys was allowed to be used by national banks without interest. Besides all this, during the same years interest on bonds not due was advanced, ranging from one month to nine months and more, amounting in the aggregate to something more than \$66,000,000.

And this is not all. By the practical demonetization of silver the value—that is to say, the purchasing power—of gold has steadily and rapidly increased to such an extent that that alone has had the effect to increase the value of all securities payable in coin, at the same time depreciating the selling price of property, out of the proceeds of which all the people's debts must be paid. The bondholder, the owner of permanent annuities, the mortgage holder, the great banker, and the speculator have gathered to themselves all these wast profits and gains, while the producing masses have lost accordingly; and these losses have cost the people millions of homes. Within the twenty-five years last past 52 per cent of the people of the entire country have become renters. Seventy-seven per cent is the average in our large cities, and in the great city of New York the average is 94 per cent.

I repeat, Mr. President, the bonding of a people is a perilous proceeding.

proceeding.

MARKET VALUE OF PUBLIC DEBT NOW GREATER THAN IT WAS IN 1865, WHEN MEASURED BY THE PROPILE'S PROPERTY.

I found recently a very interesting article on this subject in The Arena magazine by the historian, Dr. John Clark Ridpath, an article beginning on page 266 of The Arena for January, 1806, in which the author goes somewhat into detail concerning the his-

tory of our bonded indebtedness, and after having written at length comes to the point which I have just been making in my argument, that the value of the present public debt of the United States is greater in the property out of which the people will have to pay this indebtedness than the total debt was at the close of our great war. The author says in a footnote:

Our great war. The author says in a footnote:

The American people have never realized the incalculable sums which have been paid out of their Treasury in the ostensible work of discharging the interest and principal of the war dobt of the nation. Sometimes, perhaps, the final aggregate may be made up and historically recorded. Within the first ten years after the conclusion of the war, that is, at the close of the fiscal year 1874-75, the Government had already paid in interest only on the public debt \$1.442.607.377. And this was but the beginning. At the close of the year 1865 the interest account has reached the prodigious total of more than \$2,635,000,000.

The verification of this astounding truth is as plain and irrefragable as any other arithmetical result.

On the 1st of March, 1966, the national debt was (in exact figures)	40 com 000 000 10
ures) For the sake of easy computation the same may be stated in	\$15, 0001, 000, 909. 46
round numbers at	2, 825, 000, 000, 00
The debt at the close of the year 1805 (statement for Novem-	
ber) in	1, 126, 379, 106.00

For convenience of counting the same may be given in round numbers as.

To this add 10 per cent (a very low estimate) for the present average premium on the debt (interest-bearing and non-interest-bearing) above the par of gold. 1, 125, 600, 600, 60

. 1,237,500,000.00

Total present gold value of the debt..... On the 1st of March, 1866, the prices current of nine leading staples of the American market, selected broadly from the whole, were as follows:
Wheat, per bushel (from \$1.78 to \$2); average \$1.90
Flour, per barnel (\$10.50 to \$11); average \$1.0.75 Cotton, per pound

Mess pork, per barrel
Sugar, per pound
Wool, per pound (50 cents to 56 cents); average
Beef, per hundredweight (\$12 to \$18.50); average
Bar iron, per pound (6 cents to 72 cents); average
Superior farming lands in Ohio and Mississippi Valleys (approximately per acre 28.37 15. 25

At the close of 1895 (figures for November 10) the prices current for the me staples were as follows:

Wheatbushels	1,486,842,105
Flourbarrels	262, 790, 697
Cottonpounds	5, 885, 416, 666
Mess porkbarrels	99, 576, 313
Sugarpounds	25, 393, 348, 314
Wooldo	5, 330, 188, 679
Beefhundredweight	181, 987, 213
Bar ironpounds	41,851,851,851
Superior farming lands as above (approximately)acres	
The national debt at the close of the year 1895 will purchase	of the above
staples as follows:	

 staples as follows:
 bushels.
 2, 139, 620, 689

 Flour
 barrels.
 353, 571, 438

 Cotton.
 pounds.
 14, 58, 283, 529

 Mess pork.
 barrels.
 150, 915, 853

 Sugar
 pounds.
 24, 750, 000, 000

 Wool
 do.
 5, 755, 813, 933

 Beef
 hundredweight.
 130, 283, 134, 608

 Bar iron
 pounds.
 46, 348, 314, 608

 Superior farming lands as above (approximately)
 acres.
 35, 367, 143

The purchasing power of the national debt at the close of 1805 is, therefore, reater than was that of the national debt on March 1, 1806, as follows: greator than was that of the mational debt of bushels. 646,778,584
Wheat by barrels 99,780,783
Flour by pounds 8,673,406,863
Mess pork by barrels 51,339,540
Wool by pounds 48,752,274
Bar iron by do 4,406,462,755
The purchasing power of the national debt at the close of 1805 is, by like deduction, less than was that of the national debt on March 1, 1806, as follows:
In the case of

deduction, less than was that of the national debt on March 1, 1985, as follows:
In the case of—
Sugar by pounds. 643, 348, 314
Beef by human by hu

Within a period of eighteen months of the last two years the Treasury Department issued and sold \$162,000,000 of coin bonds running from ten to thirty years, \$100,000,000 at 5 per cent interest, and \$62,000,000 at 4 per cent. At the present rate of increase in the purchasing power of gold, and the consequent diminution of

the selling price of commodities which must pay these coin debts, the bonds recently sold and those soon to be issued, will, when they are due, cost the people twice as much as their face value. The \$162,000,000 already sold, with the \$100,000,000 soon to be sold, will cost the people fully twice their face, or \$524,000,000, when they fall due, besides the interest, which is to be paid in coin quarterly. The interest alone, if compounded as paid, would pay the principal long before the last of these bonds falls due.

BONDS UNLAWFULLY ISSUED.

But, sir, bad as this showing is for the people, I now approach a feature of the situation that is alarming as well as burdensome, because it reaches vital parts and concerns the integrity of our public men and threatens the permanency of republican institutions. I refer to the issuance and sale of Government bonds without express authority of Congress. This point is sometimes made by objectors limiting its application to bonds issued in times of peace. But if an executive officer may bond the neonle and most. by objectors limiting its application to bonds issued in times of peace. But if an executive officer may bond the people and mortgage their property without their authority in time of war, he may do it in time of peace. That is for Congress alone to do or not to do, as that body may determine. It is the duty of the President to take care that the laws be executed. He is to execute the law, not to enact it. And so it is with respect to every officer. His duties are prescribed in advance and defined in the law. When we reach a time that public men may with impunity set themselves above the law popular government has ceased.

It is, of course, claimed that these late bond sales have at least the color of authority. But it must not be forgotten that their legality has been questioned in this body, as well as in the House of Representatives. On the day after the first of the last three issues was proposed, I offered a resolution, giving it as the sense of the Senate that the Secretary of the Treasury had no legal warrant for his proceeding, and the next day I argued the proposition

rant for his proceeding, and the next day I argued the proposition before the Senate. A few days later, the then junior Senator from

Nebraska [Mr. Allen] discussed the subject, taking the same position that I had taken.

On the 18th of January, 1894, I offered a resolution, which became Miscellaneous Document No. 39, Fifty-third Congress, second session, which reads as follows:

Whereas on the 17th day of January, 1894, the Secretary of the Treasury did prepare and publish the following notice:

did prepare and publish the following notice:

Theasury Department, Office of the Secretary,
Washington, D. C., January II, 1894.

By virtue of the authority contained in the act entitled "An act to provide for the resumption of specie payments," approved January 14, 1875, the Secretary of the Treasury hereby offers for public subscription an issue of bonds of the United States to the amount of \$50,000,000, in either registered or coupon form, in denominations of \$50 and upward, redeemable in coin at the pleasure of the Government after ten years from the date of their issue, and bearing interest, payable quarterly in coin, at the rate of 5 per cent per annum.

pleasure of the Government after ten years from the date of their issue, and bearing interest, payable quarterly in coin, at the rate of 5 per cent per annum.

Proposals for the whole or any part of these bonds will be received at the Treasury Department, office of the Secretary, until 12 o'clock noon on the 1st day of February, 1894. Proposals should state the amount of bonds desired, whether registered or coupon, and the premium which the subscriber proposes to pay, the place where it is desired that the bonds shall be delivered, and the office, whether that of the Treasurer of the United States or an assistant treasurer of the United States, where it will be most convenient for the subscriber to deposit the amount of his subscription. Failure to specify the above particulars may cause the proposal to be rejected.

As soon as practicable after the 1st day of February, 1894, the allotment of bonds will be made to the highest bidders therefor, but no proposal will be considered at a lower price than 117.223, which is the equivalent of a 3 per cent bond at par, and the right to reject any and all proposals is breby expressly reserved. In case the bids entitled to allotment exceed the bonds to be issued they will be allotted pro rata.

Notices of the date of delivery of the bonds will be sent to the subscribers to whom allotments are made as soon as practicable, and within ten days from the date of such notice subscriptions must be paid in United States gold coin to the Treasurer or such assistant treasurer of the United States gold coin to the Treasurer or such assistant treasurer of the United States gold coin to the Treasurer or of the tota opinithe proposal may be rejected.

The bonds will be dated February 1, 1894, and when payment is made therefor as above accrued interest on both principal and premium from February 1, 1894, to date of payment, at the rate of interest realized to the subscriber has designated; and if not so paid the proposal may be rejected.

All proposals should be added.

All proposals fo

J. G. CARLISLE, Secretary.

And whereas there is nothing in said notice to show that there is immediate or prospective need for the sale of bonds to accomplish the object sought by Cougress in the ensetment of the resumption law of January 14, 1875; and Whereas the Secretary of the Treasury has no authority to issue and sell bonds for any other purpose than that set out in said resumption act: There-Resolved by the Senate. That is, the

Resolved by the Senate, That in the opinion of this body the Secretary of the Treasury has no lawful authority for issuing and selling bonds as pro-osed in the notice aforesaid.

Some time afterwards I offered a resolution instructing the Com-Some time afterwards I offered a resolution instructing the Committee on Finance to report a bill repealing all laws which authorize the issue and sale of bonds, if there were any such authority. That is known as Miscellaneous Document No. 128, Fifty-third Congress, second session, and reads as follows:

*Resolved**, That the Committee on Finance be, and it is hereby, instructed to prepare and report as soon as practicable a bill to repeal all laws authorizing or permitting the Secretary of the Treasury to issue bonds or other interest-bearing obligations of the Government, and to prohibit any and all such issues in future without express authority by act of Congress first had and obtained.

Later on I offered a resolution instructing the Committee on the Judiciary to inquire whether there was any lawful authority for the issue and sale of bonds by the Secretary of the Treasury. It is Miscellaneous Document No. 8, Fifty-third Congress, third session, and is as follows:

Resolved, That the Committee on the Judiciary be, and it is hereby, in-structed to inquire and report whether the acts of the Secretary of the Treasury, in issuing and selling United States bonds in the months of Feb-ruary and December, 1894, were authorized by any act or acts of Congress

The resolution was referred to the committee, but no report has yet been made by the committee. A similar resolution was referred to the House Committee on the Judiciary with exactly similar result.

In result.

I hope it will not be out of order, Mr. President, to insert parenthetically here that it will hardly do for Senators to say that these resolutions were not worth attending to, that they were either not offered seriously or that the author had not properly considered the subject in advance. I have given a great deal of attention to this particular matter, and, as I expect to show before I get through, there is method in my madness, if I have been mad. To bond the people of an entire country without a specific act of the legislative authority would be without doubt a great public crime.

Had either of these great committees been of opinion that ex-

Had either of these great committees been of opinion that existing statutes do in fact clearly authorize the Secretary of the Treasury to issue a new series of bonds and sell them for gold coin, they would have come to the rescue of the Secretary promptly. And the last lot was sold for gold by weight, not for dollars in coin. The quantity purchased was 3,500,000 ounces of cold series. Step by the property of the series gold coin. Step by step we go on until finally we will get back to a system of barter that the ancients followed—3,500,000 ounces of gold coin, when, if the law authorizes the Secretary to do any-

gold, as I shall show most clearly before I get through.

Our standard is dollar, not ounce; and our law uses the word "coin," not gold coin or so many ounces of gold coin. This, however may be regarded as technical. I will therefore take up that

which is substantial.

In the first place, the Secretary of the Treasury claims to have acted, as to the first two issues, under authority of the resumption act, which authorized the purchase of coin to redeem United States -greenbacks.

The bonds authorized by that act were those of the description provided for in the refunding act of 1870, when silver was our basic coin metal, and when silver coin and gold coin were the

lawful coin of the country.

At the time the Secretary concluded to sell bonds, in January, 1894, there was plenty of coin in the Treasury to redeem all the notes presented. If it be insisted that the word "coin" must be construed to mean gold coin, which of course I deny, still I say there was plenty of coin on hand for purposes of redemption, as I shall soon show by a table of gold coin in Treasury each year since 1879. since 1879.

If the Secretary had obeyed the law and offered coin of silver as well as coin of gold in redemption of the notes that were pre-sented, he would have had abundance of coin.

The Secretary of the Treasury claims to have acted in the first two issues under authority of the resumption act, which authorized the purchase of coin to redeem the United States notes and greenbacks. I know, Mr. President, that it is tedious, not only to the speaker but to his hearers, to recur so frequently to the same subject, but I wish to call the attention of such Senators as may do me the honor to listen to the language of the resumption act. I read just

And on and after the 1st day of January, A. D. 1879, the Secretary of the Treasury shall redeem, in coin, the United States legal-tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer in the city of New York.

That is all.

And to enable the Secretary to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the Treasury not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," with like qualities, privileges and exemptions, etc.

Mr. President, it will be observed that in the language I have just read the Secretary is first authorized to use any surplus funds that may be in the Treasury, not otherwise appropriated, for the redemption of outstanding notes. Then, if he needs more than that he can sell bonds of the character of those that were authorized by the refunding act of 1870. They are coin bonds.

NO RESERVE FUND FOR REDEMPTION EVER AUTHORIZED OR REQUIRED.

It is important to note and to remember that the resumption act of 1875 did not require or authorize the collection and setting apart of funds for redemption purposes or for any other purpose. The act requires the Secretary to resume specie payments on the 1st day of January, 1879, and in order "to enable" that officer to carry out the provisions of the law in this respect he is authorized to "use any surplus funds in the Treasury not otherwise appropriated." This is the first money to be used for redemption purposes—surplus moneys in the Treasury. If there were enough of such surplus funds on hand, then no bonds need be sold. The authority to sell bonds is second to the authority to use surplus funds. Bonds might be sold if the surplus funds were not sufficient for that purpose. And, now, if there be any authority to sell bonds to-day, or if there has been any such authority since the passage of the resumption act, it is for the purpose of redeeming notes, and such authority does not exist as long as there are enough surplus funds in the Treasury. I have shown that there has been an abundance of surplus coin in the Treasury at all times since 1878 for redemption purposes.

SECRETARY'S LETTER ON THE RESERVE FUND.

The Secretary of the Treasury, in response to a Senate resolution asking whether any particular fund is required by law to be kept as a redemption fund, and whether such a fund has been kept, sent in the following letter:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY, Washington, D. C., January 11, 1896.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY, Washington, D. C., January II, 1896.

Sir: I have the honor to acknowledge the receipt of Senate resolution dated the 3d instant, as follows:

"Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate if the sum of \$100,000,000, or any part thereof, these at any time since the establishment of the so-called gold reserve been actually segregated or set apart from the other currency or money in the Treasury Department, in gold coin, or gold coin and gold certificates, or either, for the redemption of the legal-tender notes and different forms of paper money of the Government; and when and by what act of Congress, giving the title of the act and the date of its approval, said so-called gold reserve was established and if not established by act of Congress, state by what authority, if any, it was established."

In reply thereto, the Senate is respectfully informed that at no time since the establishment of the so-called gold reserve has the sum of \$100,000,000, only only other sum, been segregated or set apart from the general cash in the Treasury for the redemption of the legal-tender notes of the United States is liable. There is no provision of law requiring a separate fund or separate account to be kept, and all moneys received into the Treasury, from whatever source, are deposited in the general cash. The fund for the redemption of United States notes was accumulated under authority of the act of January 14, 1875, which directed the Secretary of the Treasury to prepare and provide for such redemption on the lat day of January 1879. No specific sum was prescribed, but the Secretary of the Treasury was authorized to use the surplus revonues from time to time and to sell certain descriptions of bonds to an extent necessary to carry the act into full effect.

In the exercise of the discretion thus conferred upon him, the Secretary sold for resumption purposes, in 1877 and 1878, United States 4 per cent and 4, 1875.

The existence

The PRESIDENT OF THE SENATE.

The act of 1870, as we all understand very well, was passed three years before the coinage act of 1873, which dropped the silver dollar out of the list of coins, and in that way, if at all, the silver dollar became demonetized. In the act of 1873, commonly called the demonetization act, there is nothing whatever to indicate that it was the intention of Congress to demonetize the silver dollar. It was simply left where it was, only the Secretary was not to coin any more of them. Then, when the revision was made, as will ap-pear by reference to the Revised Statutes of 1878, this language

The silver coins of the United States shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

That is section 3586 of the Revised Statutes. By the coinage act of 1873 it was provided that the silver coins of the United States should be a trade dollar, a half dollar, a quarter dollar, and a dime. Now comes the revision, and in section 3586 it is provided that the silver coins of the United States shall be a legal tender for sun not exceeding \$5. If there was any demonetization of the silver dollar at any time it was by the section which I have just read from the Revised Statutes, and that continued only until 1878, when by the passage of the Bland Act the legal-tender character of the silver dollar was restored. So, even if there has been a demonetization of the silver dollar, it is only by implication. The Legislature had no intention to demonetize the dollars then in existence. So the "coin" which was referred to in the resumption act of 1875 meant silver as well as gold. meant silver as well as gold.

The bonds authorized by that act were those of the descriptions provided for by the refunding act of 1870, when silver was our basic coin metal. From the beginning of our financial history silver was our basic metal, and whenever there was a change of ratio in the law, parity was maintained by bringing gold to the standard of silver. That happened in 1834, when the gold coins were reduced 6 per cent so as to make them correspond with the value of the silver bullion in the market.

COIN MEANS COIN OF SILVER AND GOLD.

The Secretaries of the Treasury in 1862, 1863, 1864, 1865, 1866, 1867, and 1868 (and I am not certain but that the argument was repeated in 1869—I will call attention to that later on) argued persistently that it was not the intention of the Congress of the United ently that it was not the intention of the Congress of the United States to issue an irredeemable paper currency, but that the intention of the people and of Congress was that the notes which were issued during the war in the absence of specie should some day be redeemed in specie. They invariably used the words that had always been used, gold and silver, the precious metals, specie, etc. The Secretary of the Treasury during the Hayes Administration, the gentleman who is now the distinguished Senator from Ohio [Mr. Sherman], submitted this very point to the Attorney-General, Mr. Devens. He asked him whether or not it would be legal or proper to sell gold honds in order to establish a redemandary.

General, Mr. Devens. He asked him whether or not it would be legal or proper to sell gold bonds in order to establish a redemption fund. The correspondence is somewhat elaborate, and I shall refer to it before I conclude my remarks; but the substance of the Attorney-General's reply was that the character of the coin was determined by that which was coin in the United States in 1870, namely, gold and silver.

Mr. Matthews, of Ohio, a member of this body at the time, after words are associated in the Supreme Court of the United

Mr. Matthews, of Ohio, a member of this body at the time, afterwards an associate justice of the Supreme Court of the United States, immediately after the Secretary of the Treasury had in his report recommended that Congress grant him authority to sell gold bonds, introduced a resolution into this body, with certain paragraphs of preamble, resolving that in the opinion of Congress silver was as good money as gold. The resolution was passed by an overwhelming majority in the Senate, without amendment, notwithstanding that the Senator from Vermont, Mr. Edmunds, proposed to insert an amendment making gold coin superior and making the parity play around gold. But the Senate would have none of it.

The same resolution was passed by the House of Representa-

The same resolution was passed by the House of Representatives, and similar amendments were there proposed, but the House would have none of it. Immediately thereafter, indeed at the time, a bill was put in process of formation which afterwards became the Bland-Allison Act, restoring the legal-tender quality to the silver dollar. There has been no time when the National Legislature has approved the demonetizing pro-

ture has approved the demonetizing process. At the time when the Secretary concluded to sell bonds, in January, 1894, there was plenty of coin in the Treasury to redeem all the notes that were presented. In order that my statement might not be regarded as unfounded or farfetched, this morning, before coming to the Senate Chamber, I hastily drew off from the Treasury figures a statement of the amount of gold coin, excluding bullion, in the Treasury on the last day of January in each year since and including 1879. It appears that, beginning in 1879 with \$128,000,000, we go on down to 1884, when there was \$154,000,000. In 1889 there was \$229,000,000; in 1890, \$249,000,000, the largest amount in any one year. Then we come down to the last of January, 1895, with \$51,000,000. On the last of January, 1894, when the first of the last three issues was made, there was \$65,000,000 of gold coin lying in the Treasury. gold coin lying in the Treasury.

Statement showing the amount of gold coin (excluding bullion) in the Treasury on the last day of January each year since and including 1879.

Year.	Amount.	Year.	Amount.
1879	\$128, 702, 903 96, 463, 601 00, 797, 506 81, 206, 312 121, 868, 452 154, 882, 129 172, 747, 344 179, 402, 904 189, 122, 068	1888	\$185, 906, 571 229, 951, 535 249, 963, 167 229, 942, 686 198, 454, 178 147, 375, 054 65, 490, 319 51, 343, 230 86, 216, 756

It may be said, however, that possibly that coin was subject to draft for some other purpose. Let us see how that is. I have here a statement showing the amount of net gold in the Treasury at the end of January of each year since 1878. Beginning with 1879, it was \$116,000,000; coming on down to the largest amount in you ne year, it was \$202,000,000 in 1888, and in January, 1894, the amount was \$65,650,175. That was when the first issue of the last three issues was proposed and the sale was made. There was then \$65,000,000 of gold in the Treasury.

I submit a table giving the figures in detail:

Statement showing the amount of net gold in the Treasury at the end of January each year since 1878.

Year.	Amount.	Year.	Amount.
1879	\$110, 674, 227 143, 340, 027 148, 052, 809 150, 972, 569 125, 648, 195 144, 350, 736 125, 187, 595 130, 086, 610 168, 475, 361	1888	\$202, 955, 184 194, 655, 204 177, 586, 285 141, 728, 697 119, 574, 905 108, 181, 713 65, 650, 175 44, 705, 907

But those were not all the assets upon which the Secretary might have drawn. I have here a table showing the amount of silver bullion in the Treasury at the end of January each year since 1878:

Statement showing amount of silver bullion in the Treasury at the end of Jan-uary each year since 1878.

Year.	Amount.	Year.	Amount.
1879	\$10, 347, 889 4, 888, 036 6, 704, 197 3, 258, 926 3, 761, 956 4, 674, 423 4, 613, 582 3, 656, 783 4, 877, 030	1888	\$10, 219, 546 10, 606, 677 11, 557, 760 21, 277, 979 57, 940, 646 99, 282, 361 127, 215, 171 124, 852, 679

	Fractional coin in the Treasury.	
January 31, January 31,		\$11,346,523 15,932,847
January 81,	1995	15, 481, 586
1000	Total silver in the Treasury.	\$111 con /c/

I remember quite distinctly that once when I was speaking of the same matter the Senator from Iowa [Mr. Allison] called my attention to what he alleged to be a fact, that the silver bullion in the Treasury at the time the bond issues were in contemplation was there as a security fund for the redemption of the Treasury notes issued under the Sherman Act of 1890. The answer to that was then and is now that if this bullion was held as security for

was there as a security fund for the redemption of the Pleasury notes issued under the Sherman Act of 1890. The answer to that was then and is now that if this bullion was held as security for the redemption of the 1890 notes certainly the Secretary would have used it for such a purpose.

The act of 1890 expressly requires the Secretary to coin out of the silver bullion purchased under the provisions of that act enough to redeem the notes issued under the provisions of the act. But instead of the Secretary obeying the positive command of the law, he utterly ignored it, refused to execute it, and therefore the silver lies as so much dead property. Whenever notes of the issue of 1890 are presented to the Secretary, he redeems them in gold, unless their redemption in silver is directly asked for, and it is only occasionally that such a transaction occurs.

Here was an available fund of how much? At the end of January, 1894, at the time when the first of the three issues was in process, the amount of silver bullion in the Treasury uncovered, I insist, was \$127,000,000 worth, as will be seen in the table I have presented. In addition there was at the same time \$15,000,000 of fractional silver currency, making a total of \$143,000,000 of silver bullion lying idle in the Treasury which the Secretary and the President might have used and which the law requires them to use if they had performed their duty as the law specifies. If the Secretary had obeyed the law and offered coin of silver as well as coin of gold in redemption of notes that were presented he would have had an abundance of coin, and what is more than that, he would have saved us all this dispace, all this shame, all this dishonor, and all the burden of the bonds.

There is no law and there never has been any law against the redemption of greenbacks and Treasury notes with silver coin. It is a mere gratuitous movement upon the part of the Secretary of the Treasury. I know that the argument against a proceeding of that third is that it will destroy the parit

barbarous system of barter, so many pounds of gold and so many pounds of silver measured according to their bullion value in the market, when we are dealing in ships and railroads and wheat and corn and manufactured articles and ten thousand different articles. In one of our tariff bills there are in the neighborhood of four thousand different items upon which customs are levied. The

world is full of productions of labor, while the quantity of these metals is limited and growing constantly less and less, in proportion to business and population, and yet we are to take the old, antiquated notion that gold and silver coin are the equivalent of the values of all the other property, when only a few men, one in a hundred thousand perhaps, are dealing in the sacred and scarce articles of gold and silver. All the gold and silver produced in the world in one year are not worth as much as the wheat and corn that the farmers of Kansas produce the same year. And yet we must measure the value of all property by those metals and must maintain the parity between them.

I think when the Populists come into power we will arrange the parity so that it will be satisfactory to at least a few people.

arrange the parity so that it will be satisfactory to at least a few people.

Mr. HOAR. That will be after the millennium.

Mr. PEFFER. The millennium is approaching now, so that we shall not have long to wait.

Mr. HOAR. If the Senator will pardon me, I am afraid that the coming in power of the Populists will be after the time spoken of in the Revelations, when the millennium is over and when Satan will had footh.

will hold forth. Mr. PEFFER. We are the revelators. Mr. PEFFER. We are the revelators.
When I had occasion to speak on this subject before, in January, 1804, I called attention to the correspondence which the Secretary of the Treasury had with the Finance Committee of the Senate, and I quoted a few paragraphs, and only a few from it. I find, in looking over that speech, that there is so little of the correspondence quoted that the reader does not get all that the Secretary said and all that there was in this transaction. I have here the latter of the Secretary with the draft of a hill which he here the letter of the Secretary, with the draft of a bill which he prepared and presented to the Committee on Finance, which was introduced in the Senate by a member of the committee, but never ntroduced in the Senate by a member of the committee, but never went any further. The object of the Secretary was to show that the condition of the Treasury was such that there must be some relief in the way of funds to be used in the ordinary expenses of the Government, for which certainly there was no provision in any law that had been referred to as authorizing a proceeding in that kind. Whatever authority exists under the resumption act of 1875 for the sale of bonds is for a specific purpose, and that is to procure coin with which to redeem the notes, and not to provide funds for carrying on the ordinary expenses of the Government.

The letter and the bill accompanying it will show that the Secretary wanted to use the proceeds of the bonds for the purpose of public expenditures.

LETTER FROM THE SECRETARY OF THE TREASURY SUBMITTING STATEMENT SHOWING THE ACTUAL CONDITION OF THE TREASURY ON THE 12TH DAY OF JANUARY, 1894, TOGETHER WITH DRAFT OF BILL.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY, Washington, D. C., January 13, 18

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 13, 1894.

Dear Sir: In compliance with your verbal request I have the honor to submit, for the consideration of the Finance Committee of the Senate, statements showing the actual condition of the Treasury on the 12th day of the present month, and an estimate of the receipts and expenditures during the remainder of this month and the month of February.

It will be seen from these statements that there is an urgent necessity for such immediate action as will replenish the coin reserve and enable this Department to continue the payment of public expenses and discharge the obligations of the Government to pensioners and other lawful creditors

When my annual report was prepared it was estimated that the expenses during the current fiscal year would exceed the receipts to the amount of about \$25,000,000, and I asked Congress for authority to issue and sell bonds, or other forms of obligations, to an amount not exceeding \$50,000,000, bearing s low rate of interest and having reasonably short time to run, to enable the Secretary of the Treasury to supply such deficiencies as might occur in the revenues. The estimate then made was based upon the assumption that the worst effects of our financial disturbances had already been realized and that there would be a substantial increase in the revenues for the remainder of the year. While it was not believed that the deficiency then actually existing would be supplied by increased revenues in the future, it was hoped that no additional deficiency would occur; but the receipts and expenditures during the month of December and ny to the 12th day of the present month of the year and the monthly deficiencies have been as follows:

Receipts and expenditures, fiscal year 1894.

Receipts and expenditures, fiscal year 1894

	Receipts.	Expenditures.	Excess of expenditures.
July	\$30, 906, 776. 19 23, 890, 885. 30 24, 582, 756. 10	\$30, 675, 888. 60 33, 305, 228. 48 25, 478, 010. 17	\$8,770,112.41 9,414,343.18 895,254.07
Actual for three months October November December	80, 870, 621, 90 24, 553, 304, 97 23, 979, 400, 81 22, 312, 027, 00	98, 430, 094, 59 29, 588, 792, 34 31, 302, 028, 41 30, 068, 280, 51	17, 500, 072, 60 5, 035, 397, 37 7, 322, 625, 60 7, 746, 233, 51
January (12 days)	10, 309, 939. 37	16, 263, 655. 14	5, 893, 715, 77
Total	102, 085, 384. 05	205, 643, 428. 99	43, 558, 044. 94

If the same average monthly deficiencies should continue, the total difference between receipts and expenditures on the 30th day of June next will be \$78,167.532.

According to the best estimate that can be made, the total receipts during the present month and the month of February will be \$41,390,009 and the total expenditures will be \$60,300,000, showing a deficiency during the two months of \$18,800,000; but this does not include any payments on account of the sugar bounty, claims for which to the amount of nearly \$5,000,000 have already been presented and are now under investigation in the Department.

The assets of the Treasury and the current liabilities in excess of certificates and Treasury notes outstanding were as follows on the 12th day of the present month:

ent month:	
Gold Silver dollars and builion Fractional silver coin United States notes. Treasury notes of 1890 National-bank notes. Minor coin. Deposits in banks	8,092,287 12,138,903 5,031,327 2,476,000 14,026,735 988,625
Total cash sasets	132, 327, 880
Bank note 5 per cent fund Outstanding checks and drafts Disbursing officers' balances. Post-Office Department account. Undistributed assets of failed national banks. District of Columbia account	5,653,917 28,176,149 3,897,741 1,927,727
Total agency account	74, 108, 149

Hon. D. W. VOORFIRES, Chairman Committee on Finance, United States Senate.

An act to amend section 3 of "An act to provide for the resumption of specie payments," approved January 14, 1875.

But enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of "An act to provide for the resumption of specie payments," approved January 14, 1875, be, and the same is hereby, so amended that in lieu of the descriptions of bonds therein authorized, the Secretary of the Treasury is hereby authorized to issue from time to time, as he may deem necessary; and in such form as he may prescribe, coupon or registered bonds of the United States, in denominations of 355 and multiples thereof, redeemable in coin at the pleasure of the United States after — years from date, bearing interest at a rate not exceeding 3 per cent per annum, payable quarterly in coin, and to sell the same at not less than par in coin; and the proceeds of such bonds shall be held and used to maintain the parity of all forms of money coined or issued by the United States, but the Secretary of the Treasury is hereby authorized to use from time to time such part of such proceeds as may be necessary to supply deficiencies in the public revenues during the faceal year 1994.

SEC. 2. That a sum sufficient to carry the provisions of this act into effect is hereby appropriated out of any money in the Treasury not otherwise appropriated.

SECTION 3700, REVISED STATUTES, PART OF AN OLD LAW THAT REFERS TO BONDS AUTHORIZED BY FRIOR ACTS.

The same objection is urged to the second bond issue, for the Secretary bases his authority upon the same law. The third issue is based upon the authority of section 3700 of the Revised Statutes, which is in this language:

The Secretary of the Treasury may purchase coin with any of the bonds or notes of the United States authorized by law, at such rates and upon such terms as he may deem most a wantageous to the public interest.

While it would seem as though that was plenary authority and not encumbered with any sort of conditions, yet the history of that paragraph will throw a flood of light upon it. It is part of a section of the act of March 17, 1862. It could hardly be presumed that the Congress of the United States then, or at any time since or before, would throw out an unmodified and unqualified authority to the President or the Secretary to sell bonds ad libitum whenever they thought proper, upon the best terms they could get.

Now we will see the connection in which section 3700 of the

Revised Statutes is found in the original act. It is not even a separate sentence, but it is part of a sentence. I will read the whole section. Section 1 of the act of March 17, 1862, entitled "An act to authorize the purchase of coin, and for other purposes," reads as follows:

Be it enacted, etc., That the Secretary of the Treasury may purchase coin with any of the bonds or notes of the United States, authorized by law, at such rates and upon such terms as he may deem most advantageous to the public interest;—

and may issue, under such rules and regulations as he may prescribe, certificates of indebtedness, such as are authorized by an act entitled "An act to authorize the Secretary of the Treasury to issue certificates of indebtedness to public creditors," approved March 1, 1862, to such creditors as may desire to receive the same, in discharge of checks drawn by disbursing officers upon sums placed to their credit on the books of the Treasurer, upon requisitions of the proper Departments, as well as in discharge of audited and settled accounts, as provided by said act.

This entire section is one paragraph. There is no stopping point, no period, no end of a sentence, no punctuation points excepting commas and one semicolon. And yet a part of that sentence is incorporated in the Revised Statutes as a separate section appearing to be wholly independent and apart from all other connection.

I insist that the bonds referred to in the Revised Statutes,

I insist that the bonds referred to in the Revised Statutes, section 3700, are precisely the same kind of bonds that are referred to in section 1 of the act of March 17, 1862—that is to say, bonds that had been provided for in preceding acts—so that this section refers to acts of Congress that had been passed before that time. Whatever authority there is in section 3700 is to be applied to bonds provided for by earlier acts of Congress. There can be no question about that. Then there is only one act that the President makes applicable to his action, the refunding act of 1870, on which the resumption act of 1875 is based.

Senators hould not overlook the fact that section 3700 on which

Senators should not overlook the fact that section 3700, on which the President bases the authority to sell bonds in 1805 and now, is part of the act of March 17, 1802, a clause, and the first clause, of a one-sentence section authorizing the Secretary to make certain uses of bonds and notes that had been provided for by and in prior statutes.

in prior statutes.

The Secretary has no authority to sell bonds that have not been previously provided for and particularly described. Indeed, Congress has no authority to delegate the power to borrow money. That power is vested by the Constitution in Congress alone. But it may provide for the borrowing of money in a particular way and then authorize the Secretary to perform the necessary work. But it can not authorize any officer to sell notes or bonds that have not been already authorized and described. The act of March 17, 1862, when empowering the Secretary to sell bonds on the best terms he could get, did not intend that he should make out such bonds as he chose and sell them, but only such bonds as had, before the date of that act, been authorized by Congress. So, when the President and Secretary claim to have acted under authority of section 3700 they can assert no authority not proso, when the Fresident and secretary claim to have acted under authority of section 3700 they can assert no authority not provided by laws passed before the act of March 17, 1862, and they were war acts—laws to carry on war. And if they claim that section 3700 authorizes them to sell bonds that were authorized by the resumption act of January 25, 1875, they are met with the objection that the bonds provided for by that act were for redemption purposes only, and that no sales should be made for such purposes only as there were enough surplus finds in the Treasure of long as there were enough surplus finds in the Treasure of long as there were enough surplus finds in the Treasure of long as there were enough surplus finds in the Treasure of long as there were enough surplus finds in the Treasure of the second surplus finds in the Treasure of the se purpose so long as there were enough surplus funds in the Treasury to redeem outstanding notes. And there has all along been, and there is now, plenty of funds in the Treasury for that pur-

I do not care, Mr. President, to pursue that branch of the subject I do not care, Mr. President, to pursue that branch of the subject any further. It seems to me to be entirely clear that it is a strained construction of the law, to say the least of it, that these officers are using. I am quite confident that it was not the intention of either the President or the Secretary to resort to such extraordinary measures in the beginning; they expected that Congress would authorize them to proceed, and having received no such authority they undertook it, expecting to have their conduct ratified by Congress.

Finally, on that branch of the subject, all bonds that have ever been authorized by Congress were redeemable either in "lawful money" of the United States, which meant legal-tender paper, or in "coin." There has been no law, there is none now, authorizing gold bonds any more than silver bonds.

**RMSTORE THE OLD CONTAGE LAW OF 1897.

Now, Mr. President, taking up the coinage section of the bill, I shall endeavor to maintain that the sections of the act of Congress

approved January 18, 1837, providing for the free, equal, and unlimited coinage of silver and gold, ought to be reenacted, and that all laws and parts of laws inconsistent therewith ought to be repealed, because

pealed, because—
First. Our monetary system from the beginning to the approval of the act of February 12, 1873, commonly known as the demonetisation act, was bimetallic, with coinage of gold and silver on equal terms; that there was no demand for changing the law in 1873, and that there has been very general and continual demand since that time for a restoration of the old law.

Second. That all our national coin obligations are payable in either gold or silver or both, and in order to make such payment we need more coin than we have, or probably ever will have unless we coin silver.

ss we coin silver.

Third. The restoration of free silver coinage would at once put new money into circulation, the effect of which may reasonably be expected to be to stimulate enterprise and encourage trade and to raise prices in a corresponding degree.

HISTORY OF OUR COINAGE. It may be said, to begin with, that our coinage laws, so far as they relate to the legal-tender functions of gold coins and silver coins, were exactly the same from the time of the first coinage under the mint act, April 2, 1702, until the passage of the act of February 12, 1873, except that in 1853 the legal-tender function of the minor silver coins was limited to sums of \$5.

In order to a clear understanding as the argument proceeds, it may be well at the outset to review briefly the history of coinage in the United States.

In 1782 the Continental Congress appointed a committee to investigate the condition of the coins which were then current in the country. Many different coins were in circulation, principally those of Great Britain and Spain and the Spanish-American provinces, and each of the colonies had maintained a separate valuation of its own. While the British method of counting money was common in all parts of the country, the most generally cur-rent coins were those of Spain. The Spanish milled dollar was common among the people, and it was the most popular coin then

Mr. Robert Morris made an elaborate report and recommended a new system of United States coinage. But nothing further was done about it until two years afterwards, when the matter was taken up and referred to a committee of which Thomas Jefferson was a member. That distinguished statesman, after a careful exemination of the whole subject, wrote out his views in what he termed "Notes on the establishment of a mint." These "Notes" may be found in Jefferson's Works, volume 1, beginning at page In fixing the unit of money Mr. Jefferson laid down three rules:

First, that it be of convenient size to be applied as a measure to the common money transactions of life; second, that its parts and multiples be in an easy propertion to each other, so as to facilitate the money arithmetic; and third, that the unit and its parts or divisions be so nearly of the value of some of the known coins as that they may be of easy adoption for the people; and—

He added-

the Spanish dollar seems to fulfill all these conditions.

He gave the following as his reasons for selecting the dollar for the unit:

the unit:

The unit or dollar is a known coin, and the most familiar of all to the minds of the people. It is already adopted from South to North, has identified our currency, and therefore happily offers itself as a unit already introduced. Our public debt, our requisitions and their appointments, has given it actual and long position of the place of the unit. The course of our commerce, too, will bring us more of this than of any other foreign coin, and therefore renders it more worthy of attention. I know of no unit which can be proposed in competition with the dollar but the pound. But what is the pound? One thousand five hundred and forty-seven grains of fine silver in Georgia; 1.289 grains in Virginia, Connecticut, Rhode Island, Massachusetts, and New Hampshire; 1,081 grains in Maryland. Delaware, Pennsylvania, and New Jorsey; 260 grains in North Carolina and New York. Which of these shall we adopt? To which State is that preen insuce of which all are so jealous, and on which impose the difficulties of a new estimate on their corn, their cattle, and other commodities? Or shall we hang the pound sterling as a common badge upon all their necks? This contains 1,7184 grains of pure silver. It is difficult to familiarize a new coin to the people. It is more difficult to familiarize them all, and is already as much referred to as a measure of value as their respective provincial pound.

On the 15th day of April, 1790, the House of Representatives

On the 15th day of April, 1790, the House of Representatives passed a resolution asking the then Secretary of the Treasury, Alexander Hamilton, to prepare a report concerning the establishment of a mint and the coinage of money, and in response to that resolutions. lution the Secretary prepared a report and submitted it to the House on the 28th day of January, 1791. He sets out by saying that a plan for an establishment of this nature—that is to say, a mint—involves a great variety of considerations, intricate, nice, and important. The general state of debtor and creditor, all the relations and consequences of price the essential interests of trade relations and consequences of price, the essential interests of trade and industry, the value of all property, the whole income of both the state and individuals, are liable to be extensively influenced, beneficially or otherwise, by the judicious or injudicious regulations of this interesting institution.

After discussing the importance of the subject and the interests involved he divides the subject into six different heads, the first two of which are these: First, what ought to be the nature of the money unit of the United States; and second, what the proportion between gold and silver, if coins of both metals are to be established.

As to the first of these two divisions, the Secretary, after an elaborate discussion, came to the conclusion that the dollar ought to be established and maintained as the money unit for the cur-rency of the United States, and he was of the opinion that the dollar then generally current, namely, the Spanish milled dollar, ought to be used as the money unit.

As to the second proposition, whether the standard of money

ought to be a single one or a double one, the Secretary was of opinion that we ought to establish and maintain the double standard, namely, gold and silver. He was aware, and called attention to the fact, that in the discussion of the subject by public men generally our American statesmen largely leaned to the opinion that the standard ought to be single and that silver. But the Secretary came to the conclusion that the double standard was better. He said:

better. He said:

But upon the whole it seems to be the most advisable, as has been observed, not to attach the unit exclusively to either of the metals, because this can not be done effectually without destroying the office and character of one of them as money, and reducing it to the situation of mere merchandise, which, accordingly, at different times, has been proposed from different and very respectable quarters, but which would probably be a greater evil than ocpasional variations in the unit from the fluctuations in the relative value of the metals, especially if care be taken to regulate the proportion between them with an eye to their average commercial value. To annul the use of either of the metals as money is to sbridge the quantity of circulating medium and is liable to all of the objections which arise by a comparison of the benefits of a full with the evils of a scanty circulation.

After discussing at some length the probable results of a single

After discussing at some length the probable results of a single standard, the Secretary said that the chief if not the sole effect of such a regulation would be to diminish the utility of one of the metals. He then proceeded to discuss the proportion in which the metals ought to be used, and he came to the same conclusion that Sir Isaac Newton had arrived at in his report to the treasury of Great Britain in 1717—the proportion of about 1 to 15; 1 unit of weight in gold to 15 of the same units of weight in silver; and such, in fact, was the proportion established in our coinage law

the next year.

This report of Mr. Hamilton was by him submitted to Thomas Jefferson, who was then Secretary of State, for his inspection and consideration. After a very careful study of the report, Mr. Jefferson made a few suggestions, which were in the main accepted by Mr. Hamilton, and the report as it was finally presented to Congress was a substantial agreement between those two gentle-men. If there was any difference between them in respect to the ubject it was upon the matter of a single or double standard. Mr. Jefferson inclined to the single standard, and that silver, while Mr. Hamilton preferred the double standard, that of silver The report of Mr. Hamilton is found in volume 3 of

his works, beginning at page 149.

Having adopted the dollar as a unit, then Mr. Jefferson sugested that we ought to have at least four coins—one a golden piece equal in value to \$10; second, the unit or dollar of silver; third, the tenth of a dollar, of silver also; and, fourth, the hundredth part of a dollar, this to be made of copper. And he suggested that perhaps it would not be amiss to coin three more pieces of silver—one of the value of half a dollar, the other 20 counts when it was the former to the former. cents, and the other 5 cents. He concludes his "Notes" in these

My proposition, then, is that our notation of money shall be decimal, de-scending at the liberty of the person noting; that the unit of this notation shall be a dollar; that coins shall be accommodated to it from \$10 to the hun-dredth of a dollar.

In accordance with the recommendation of this report Congress passed an act entitled "An act establishing a mint and regulating the coins of the United States." This act was approved April 2, 1792. The first eight sections provide for the establishment of the mint, name the necessary officers, prescribe their duties, etc., and ection 9 names the coins that shall be made and fixes their value. I read the section:

I read the section:

And be it further enacted, That there shall be from time to time struck and coined at the said mint coine of gold, silver, and copper, of the following denominations, values, and descriptions, viz: Eagles, each to be of the value of ten dollars or units and to contain two hundred and seventy grains of standard gold. Half eagles, each to be the value of five dollars and to contain one hundred and therety-three grains and six-eighths of a grain of pure or one hundred and thirty-five grains of standard gold. Quarter eagles, each to be of the value of two dollars and a half dollar and to contain sixty-one grains and seven-eighths of a grain of pure or sixty-seven grains and four-eighths of a grain of standard gold. Dollars or units, each to be of the value of a Spanin is milled dollar, as the same is now current, and to contain three hundred and seventy-one grains and four-sixteenth parts of a grain of pure or four hundred and sixteen grains of standard silver. Half dollars, each to be of half the value of the dollar or unit and to contain one hundred and eighty-five grains and ten-sixteenth parts of a grain of pure or two hundred and eighty-five grains of standard silver. Quarter dollars, each to be of one-fourth the value of the dollar or unit and to contain ninety-two grains and thirtsen-sixteenth parts of a grain of pure or standard silver.

Dismes, each to be of the value of one-tenth of a dollar or unit and to contain thirty-neven grains and two-sixteenth parts of a grain of pure or forty-one grains and three-fifth parts of a grain of standard silver. Half-dismes each to be of the value of one-twentieth of a dollar and to contain eighteen grains and nine-sixteenth parts of a grain of pure or twenty grains and fourith parts of a grain of standard silver. Cents, each to be of the value of the one hundredth part of a dollar and to contain eleven pennyweights of copper. Half cents, each to be of the value of half a cent and to contain five pennyweights and half a pennyweight of copper.

Section 10 prescribes the devices that shall appear on the coins, and the next section declares what shall be the relative values of the two metals—gold and silver. I quote:

And be it further enacted. That the proportional value of gold to silver in all coins which shall by law be current as money within the United States shall be as is to i, according to quantity in weight, of pure gold or pure silver; that is to say, every is pounds weight of pure silver shall be of equal value in all payments with 1 pound weight of pure gold, and so in proportion as to any greater or less quantities of the respective metals.

The twelfth section provides that the metal in the gold coins shall be "eleven parts fine to one part alloy;" that is to say, eleven parts shall be pure gold and one part of alloy, and the alloy is to be made of silver and copper in such proportion that not more than one-half shall be silver.

The thirteenth section provides that the-

Standard of all silver coins of the United States shall be 1,485 parts of fine to 179 parts alloy * * * wisch alloy shall be wholly of copper.

Section 14 provides for free and unlimited coinage of gold and silver bullion in the language following:

SEC. 14. And be it further enacted. That it shall be lawful for any person or persons to bring to the said mint gold and silver bullion in order to their being coined; and that the bullion so brought shall be there assayed and coined as speedily as may be after the receipt thereof, and that free of expense to the person or persons by whom the same shall have been brought.

The rest of the section provides that after the bullion has been coined the coins shall be delivered to the person or persons entitled, and also provides that when convenient, and when money has been provided for that purpose, the Director of the Mint, if the depositor of the bullion so desires, may deliver to him at once coins of value equal to what the bullion will make when minted, charging one-half of 1 per cent for the accommodation.

The sixteenth section provides-

That all the gold and silver coins which shall have been struck at and issued from the said mint shall be a lawful tender in all payments whatsoever, those of full weight according to the respective values hereinbefore declared, and those of less than full weight at values proportional to their respective weights.

All the rest of the act relates to details. The points to be particularly noted with respect to the provision of this law are—

1. That the unit of value is a "dollar."

2. That the unit is to be represented by a coin which shall con-

tain 3711 grains of pure silver with copper alloy equal to a little more than one-ninth part in weight of the whole coin, and that its value shall be that of a coin then in general circulation—the Spanish milled dollar.

3. That certain gold coins representing multiples of the unit, with certain silver coins representing decimal parts of the unit, were provided for, and that each of them and all of them are made "lawful tender in all payments whatsoever," according to their respective weights, measured by the standard of value given in

respective weights, measured by the standard of value given in the law.

4. That any person or persons may take gold or silver bullion to the mint and have it made into any of these coins free of charge.

5. That the proportional weight of gold and silver coins, according to value, shall be 1 of gold to 15 of silver.

6. That the weight of pure metal in the coin, and not the name of the coin, is to be the standard of its value; that is to say, a "dollar" then had a certain value, not definable, to be sure, yet a well-understood meaning in estimating values of commodities; and this value and its multiples to be represented by certain weights of pure silver and pure gold when put in the form of coins prescribed in the law. If from abrasion the coins fell below standard weight their value was lessened accordingly.

By section 1 of the act of February 9, 1793, the values of foreign gold and silver coins then circulating in the United States were regulated, and at such valuations were to be legal tender. Section 3 of the same act provided that foreign coins received by the Gov-

regulated, and at such valuations were to be legal tender. Section 3 of the same act provided that foreign coins received by the Government for moneys due the United States after our own mint began coining money should be recoined into United States money, according to our law of April 2, 1792.

Another act "regulating the currency of foreign coins in the United States" was approved April 10, 1806.

Again, April 29, 1816, a similar act was approved, and still another March 3, 1819.

March 3, 1831, and March 3, 1823, acts were approved continu-

March 3, 1831, and March 3, 1833, acts were approved continu-ing in force the act of March 3, 1819.

The following act was passed and approved on the 25th day of

June, 1834:

Be it enacted, etc., That from and after the passage of this act the following above coins shall be of the legal value and shall pass current as money within the United States, by tale, for the payment of all debts and demands, at the

rate of 100 cents the dollar, that is to say: The dollars of Mexico, Peru, Chile, and Central America of not less weight than 415 grains each; and those restamped in Brazil of the like weight, of not less fineness than 10 ounces and 15 pennyweights of pure silver in the troy pound of 12 ounces of standard silver, and the franc pieces of France, when of not less fineness than 10 ounces and 16 pennyweights in 12 ounces troy weight of standard silver, and weighing not less than 334 grains each, at the rate of 93 cents each.

SEC. 2. And be it further exacted, That it shall be the duty of the Secretary of the Treasury to cause assays of the aforesaid silver coins made current by this act to be had at the mint of the United States at least once in every year, and to make report of the result thereof to Congress.

By the act of June 28, 1834, the weight of pure metal in our gold coins was reduced about 6 per cent. The following are provisions of that act:

of that act:

Be it enacted, etc., That the gold coins of the United States shall contain the following quantities of metal, that is to say: Each eagle shall contain 28 grains of pure gold and 28 grains of standard gold; each half eagle hill contain 58 grains of pure gold and 64 grains of standard gold; each quarter eagle shall contain 58 grains of pure gold and 64 grains of standard gold; every such eagle shall be of the value of \$10; every such half eagle shall be of the value of \$20; and every such quarter eagle shall be of the value of \$20; and every such quarter eagle shall be of the value of \$20; and every such quarter eagle shall be of the value of \$20; and every such quarter eagle shall be of the value of \$20; and every such quarter eagle shall be of the value of \$20; and the said gold coins shall be receivable in all payments, when of full weight, according to their respective values; and when of less than full weight at less values, proportioned to their respective actual weights.

SEC. 2. And be if further enacted, That all standard gold or silver deposited for coinage after the 31st day of July next shall be paid for in coin, under the direction of the Secretary of the Treasury, within five days from the making of such deposit, deducting from the amount of said deposit of gold and silver one-half of 1 per cent: Provided, That no deduction shall be made unless said advance be required by such depositor within forty days.

SEC. 3. And be if further enacted. That all gold coins of the United States minted anterior to the 31st day of July next shall be receivable in all payments at the rate of 94.8 cents per pennyweight.

The same day another act was approved regulating the value of foreign gold coins, and on the 18th day of January, 1837, the standard of the metal in our gold and silver coins was altered by reducing the quantity of alloy. The following are the sections providing for the changes:

providing for the changes:

SEC. 8. And be it further enacted. That the standard for both gold and silver coins of the United States shall hereafter be such that of 1,000 parts by weight 900 shall be of pure metal and 100 of alloy; and the alloy of the silver coins shall be of copper; and the alloy of the gold coins shall be of copper; and the alloy of the gold coins shall be of copper and silver: Provided, That the silver does not exceed one-half of the whole alloy.

SEC. 9. And be it further enacted. That of the silver coins the dollar shall be of the weight of 412; grains; the half dollar of the weight of 2015 grains; the quarter dollar of the weight of 103; grains; the dime, or twentieth part of a dollar, of the weight of 201; grains; and the half dime, or twentieth part of a dollar, of the weight of 201; grains. And that dollars, half dollars and quarter dollars, dimes and half dimes shall be logal tenders of payment according to their nominal value for any sums whatever.

SEC. 10. And be it further enacted. That of the gold coins the weight of the eagle shall be 258 grains; that of the half eagle 129 grains; and that of the quarter eagle 64; grains. And that for all sums whatever the eagle shall be a legal tender of payment for \$10; the half eagle for \$5, and the quarter eagle for \$2.50.

SEC. 11. And be it further enacted, That the silver coins heretofore issued at the mint of the United States, and the gold coins issued since the 3lst day of July, 1834, shall continue to be legal tenders of payment for their nominal values on the same terms as if they were of the coinage provided for by this act.

Free and unlimited coinage of both metals was provided for in section 14 of this act, as follows:

SEC. 14. And be it further enacted. That gold and silver bullion brought to the mint for coinage shall be received and coined by the proper officers for the benefit of the depositor: Provided. That it shall be lawful to refuse at the mint any deposit of less value than \$100 and any bullion so base as to be unsuitable for the operations of the mint: And provided also, That when gold and silver are combined, if either of these metals be in such small proportion that it can not be separated advantageously, no allowance shall be made to the depositor for the value of such metal.

By section 18 of the same act it was provided "that the only subjects of charge by the mint to the depositor" shall be for assaying and refining metals below standard.

and reining metals below standard.

March 3, 1843, the values of foreign gold and silver coins were again regulated to correspond to our own coins.

March 3, 1849, the coinage of gold dollars and double eagles of standard weight was authorized.

By act of February 21, 1853, the weight of the silver coins below a dollar was reduced about 7 per cent and their legal-tender quality reduced to "sums not exceeding \$5." Sections 1 and 2 are:

SEC. 1. That from and after the 1st day of June, 1852 (1853), the weight of the half dollar or piece of 50 cents shall be 192 grains, and the quarter dollar, dime, and half dime shall be respectively, one-half, one-fifth, and one-tenth of the weight of said half dollar.

SEC. 2. That the silver coins issued in conformity with the above section shall be legal tenders in payment of debts for all sums not exceeding \$5.

Section 3 of this act provides that the bullion necessary for the coinage of these light-weight coins shall be purchased, and that the gain (what we now call seigniorage) shall be charged to the mint and credited to the Government. I read the section:

And be it further enacted, That in order to procure bullion for the requisite coinage of the subdivisions of the dollar authorized by this act, the treasurer of the mint shall, with the approval of the Director, purchase such bullion with the bullion fund of the mint. He shall charge himself with the gain arising from the coinage of such bullion into coins of a nominal value exceeding the intrinsic value thereof, and shall be credited with the difference between such intrinsic value and the price paid for said bullion, and with the expense of distributing said coinage, shall be, from time to time, on a warrant of the Director of the Mint, transferred to the account of the Treasury of the United States.

Free coinage of these subsidiary pieces was not allowed, as shown in section 5, which reads:

And be it further enacted. That no deposits for coinage into the half dollar, quarter dollar, dime, and half dime shall hereafter be received, other than those made by the treasurer of the mint, as herein authorized, and upon account of the United States.

Section 6 of said act required a charge of one-half of 1 per cent

for coining all gold coins and all silver dollars.
Section 7 provided for the coinage of three-dollar gold pieces of

standard weight.

The act of February 21, 1857, repealed all laws which had declared foreign coins legal tender.

These are the only laws and parts of laws enacted by Congress affecting the coinage of the United States (except in cases of a few minor silver coins and some of coarser metals) until we reach "An act revising and amending the laws relative to the mints, assay offices, and coinage of the United States," approved February 12, 1873. That act contains sixty-seven sections, but only a few of them need be referred to in this connection. These are sections 13, 14, 15, 17, 21, 25, and 27.

18, 14, 15, 17, 21, 25, and 27.

SEC. 13. That the standard for both gold and silver coins of the United States shall be such that of one thousand parts by weight nine hundred shall be of pure metal and one hundred of alloy; and the alloy of the silver coins shall be of copper, and the alloy of the gold coins shall be of copper, or of copper and silver; but the silver shall in no case exceed one-tenth of the whole alloy.

SEC. 14. That the gold coins of the United States shall be a one-dollar piece, which, at the standard weight of 25.8 grains, shall be the unit of value; a quarter eagle, or two-and-a-half-dollar piece; a three-dollar piece; a half eagle, or five-dollar piece. And the standard weight of the gold dollar shall be 25.8 grains; of the quarter eagle, or two-and-a-half-dollar piece, 64; grains; of the drawn of the standard weight of the gold dollar shall be 25.8 grains; of the eagle, or true-dollar piece, 64; grains; of the drawn of the standard weight of the gold dollar piece, 129 grains; of the eagle, or true-dollar piece, 258 grains; of the double eagle, or twenty-dollar piece, 516 grains; which coins shall be a legal tender all payments at their nominal value when not below the standard weight and limit of tolerance provided in this act for the single piece, and when reduced in weight, below said standard and tolerance, shall be a legal tender at valuation in proportion to their actual weight; and any gold coin of the United States, if reduced in weight by natural abrasion not more than one-half of 1 per cent below the standard weight prescribed by law, after a circulation of twenty years, as shown by its date of coinage, and at a ratable proportion for any period less than twenty years, shall be received at their nominal value by the United States reduced in weight below this limit of abrasion shall be recoined.

BEC. 18. That the silver coins of the United States shall be a trade dollar,

recoined. That the silver coins of the United States shall be a trade dollar, a half dollar or 50-cent piece, a quarter dollar or 25-cent piece, a dime or 10-cent piece; and the weight of the trade dollar shall be 420 grains troy; the weight of the half dollar shall be twelve grams (grammes) and one-half of a gram (gramme); the quarter dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

and one-fifth of the weight of said half dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

SEC. 17. That no coins, either of gold, silver, or minor coinage, shall hereafter be issued from the mint other than those of the denominations, standards, and weights herein set forth.

SEC. 21. That any owner of silver bullion may deposit the same at any mint, to be formed into bars, or into dollars of the weight of 420 grains troy, designated in this act as trade dollars, and no deposit of silver for other coinage shall be received, but silver bullion contained in gold deposits and separated therefrom may be paid for in silver coin, at such valuation as may be, from time to time, established by the Director of the Mint.

SEC. 25. That the charge for converting standard gold bullion into coin shall be one-fifth of 1 per cent, and the charges for converting standard silver into trade dollars, for melting and refining when bullion is below standard, for toughening when metals are contained in twhich render it unft for coinage, for copper used for alloy when the bullion is above standard, for separating the gold and silver when these metals exist together in the bullion, and for the preparation of bars, shall be fixed, from time to time, by the Director, with the concurrence of the Secretary of the Treasury, so as to equal but not exceed, in their judgment, the actual average cost to each mint and assay office of the material, labor, wastage, and use of machinery employed in each of the cases aforementioned.

SEC. 37. That in order to procure bullion for the silver coinage authorized by this act the superintendents, with the approval of the Director of the Mint as to price, terms, and quantity, shall purchase such bullion with the bullion fund. The gain arising from the coinage of such silver bullion into cin of a nominal value exceeding the cost thereof shall be credited to a special fund denominated the silver-profit fund. This fund shall be charged

It will be observed that there is no provision in this act concerning the silver dollar. It is simply omitted from the enumeration of silver coins, and it is provided that no coins other than those "herein set forth" shall be "issued from the mint." A new silver coin is, however, added—a "trade dollar"—which is 7½ grains heavier than the standard silver dollar of 412½ grains.

The revision act of 1874 provides that "the silver coins of the United States shall be a local tender" for sums not exceeding \$5

United States shall be a legal tender" for sums not exceeding \$5

The Bland-Allison Act of February 28, 1878, provided in sec-

That there shall be coined, at the several mints of the United States, silver dollars of the weight of 412; grains troy of standard silver, as provided in the act of January 18, 1837, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United States of like weight and fineness, shall be a legal tender at their nominal value for all debts and dues, public and private, except where

otherwise expressly stipulated in the contract. And the Secretary of the Treasury is authorized and directed to purchase, from time to time, silver bullion, at the market price thereof, not less than \$2,000,000 worth per month nor more than \$4,000,000 worth per month, and cause the same to be coined monthly, as fast as so purchased, into such dollars; and a sum sufficient to carry out the foregoing provision of this act is hereby appropriated, out of any money in the Treasury not otherwise appropriated. And any gain or resigniorage arising from this coinage shall be accounted for and paid into the Treasury, as provided under existing laws relative to the subsidiary coinages: Provided, That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed \$5,000,000. And provided further. That nothing in this act shall be construed to authorize the payment in silver of certificates of deposit issued under the provisions of section 254 of the Revised Statutes.

This act was repealed July 14, 1890, by what has been commonly known as the Sherman law, which required the purchase of 4,500,-000 ounces of silver monthly and the coinage of enough of it to redeem the Treasury notes paid for it, with the clause that it is the established policy of the United States to maintain the parity of the two metals.

The following are the sections of the Sherman law relating to silver and coinage:

The following are the sections of the Sherman law relating to silver and coinage:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Secretary of the Treasury is hereby directed to purchase, from time to time, silver bullion to the aggregate amount of 4,500.000 ounces, or so much thereof as may be offered in each month, at the market price thereof, not exceeding \$1 for \$1146 grains of pure silver, and to issue in payment of such purchases of silver bullion Treasury, in such form and of such denominations, not less than \$1 nor more than \$1,000, as he may prescribe, and a sum sufficient to carry into effect the provisions of this act is hereby appropriated, out of any money in the Treasury not otherwise appropriated.

SEC. 2. That the Treasury notes issued in accordance with the provisions of this act shall be redeemable on demand, in com, at the Treasury of the United States, or at the office of any assistant treasurer of the United States, and when so redeemed may be reissued; but no greater or less amount of such notes shall be outstanding at any time than the cost of the silver bullion and the standard silver dollars coined therefrom then held in the Treasury purchased by such notes; and such Treasury notes shall be a legal term bullion and the standard silver dollars coined therefrom then held in the Treasury stipulated in the contract, and shall be receivable for customs, taxes, and all public dues, and when so received may be reissued; and such notes, when held by any national banking association, may be counted as a part of its lawful reserve. That upon demand of the holder of any of the Treasury notes, when the lever metals on a party give and such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the womenals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

SEC. 3. That the Secretary of the Treasury shall each month coin

The purchasing clause of the Sherman law-that is, so much of it as authorized and required the purchase of bullion-was repealed at the extra session of Congress beginning August 7, 1893, by the following enactment:

by the following enactment:

An act to repeal a part of an act approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes."

Be it enacted, etc., That so much of the act approved July 14, 1890, entitled "An act directing the purchase of silver bullion and issue of Treasury notes thereon, and for other purposes," as directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,590,000 ounces, or so much thereof as may be offered in each month at the market price thereof, not exceeding \$1 for 371.25 grains of pure silver, and to issue in payment for such purchases Treasury notes of the United States, be, and the same is hereby, repealed. And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar roined or issued by the United States, in the markets and in the payment of debts.

Approved, November 1, 1833.

This concludes the collection of laws of the United States relating

This concludes the collection of laws of the United States relating to our coinage so far as the weight and fineness of the legal-tender coins is concerned, and it will be observed that the quantity of pure gold in the gold coins was once reduced (by the act of June 28, 1834) and that the quantity of pure silver in the dollar coin has never been altered in the least degree. The first silver dollar coined contained 3711 grains of pure metal and the last one contained precisely the same amount. And so with all of the nearly 450, 000,000 silver dollar pieces coined since the first mint was opened—

more than a hundred years ago.

It may be remarked, further, that silver dollars have been all along and continuously full legal tender in payment of all debts

and of all amounts the same as gold coins, except that by the re

and of all amounts the same as gold coins, except that by the revision of 1874 all our silver coins were put into one class—subisdiary—and that, of course, included the dollar piece as well as the others. Its legal-tender function was restored by the Bland-Allison Act four years later, and it has not been disturbed since. From 1794, when the first silver coins were issued from our mints, until 1873, the silver dollar was not only the unit of value but it was the equal of gold for all monetary purposes under all circumstances and conditions in the United States, and in commerce it was often worth more than gold at the legal ratio. All our contracts were made with that knowledge and understanding. All writers, statesmen, and economists so regarded it, and hence they always referred to our standard money as gold and silver—two bases, one standard. Our banks held gold and silver coins two bases, one standard. Our banks held gold and silver coins alike as specie reserves. No question was ever raised concerning the disparity of the metals by our merchants and ordinary business men; and when, during the war of the rebellion and for some years afterwards, our Secretaries of the Treasury urged the doc-

rine of redemption of the Treasury notes, they invariably referred to gold and silver alike as the money of final payment.

Mr. Secretary Chase, in his report dated December 4, 1862, discussing the currency question and recommending the issue of Government notes from time to time in guarded amounts, said, on

The Secretary recommends, therefore, no mere paper-money scheme, but, on the contrary, a series of measures looking to a safe and gradual return to gold and silver as the only permanant basis, standard, and measure of values recognized by the Constitution.

Mr. Secretary McCulloch, in his report, December 5, 1865, at page 8, urging immediate preparation by Congress for a resumption of specie payments, said:

An irredeemable paper currency may be a necessity; but it can scarcely fail, if long continued, to be a calamity to any people. Gold and silver are the only proper measure of value. They have been made so by the tacit agreement of nations, etc.

In the report for 1866, the Secretary (Mr. McCulloch), further urging return to specie payments, said, on page 10:

Ever since trade commenced between the people of different nations go and silver have been the only reliable and recognized measure of value as medium of exchanges.

On page 11 he says:

Nothing but the precious metals is a legal tender.

On pages 12 and 13 he refers to-

the coin which is obtained in the gold and silver producing districts.

In the same officer's report for 1867, Mr. McCulloch, on page 7, quotes a resolution of Congress approving his recommendation of the preceding year, and he quotes his former report in part. And on pages 9, 10, and 11 he uses the terms "coin," "specie," and "precious metals" as meaning the same thing. On page 11 he writes of "gold and silver" as "the only true measure of value" recognized by "the great international law."

Again, in his report for 1868, the same officer (and the same person) at page 5 takes up the same subject, referring to his former recommendations, and by way of adding to their force he quotesfrom Daniel Webster a passage in which that eminent lawyer and statesman spoke of "gold and silver" currency being a "constitutional principle,"

tutional principle."

The arguments and recommendations of the Secretaries of the Treasury bore fruit on March 18, 1869, in "An act to strengthen the public credit," which promises to redeem in "coin" all the notes ont and all the bonds except such as are payable in currency other than "gold and silver."

We are very apt, Mr. President, in discussing this subject to overlook the important fact that the act of Congress which authorizes the redemption of our greenbacks and Treasury notes in coin and the payment of our bonded indebtedness in coin particularly specifies that gold and silver coin was meant by the framers of the specifies that gold and silver coin was meant by the framers of the

That in order to remove any doubt as to-

the purpose of the Government to discharge all just obligations to the public creditors, and to settle conflicting questions and interpretations of the laws by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is seleminly pledged to the payment in coin or its equivalent of all the obligations of the United States notes, and of all the interest-hearing obligations of the United States notes, and of all the interest-hearing obligations of the United States except in cases where the law authorising the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold and silver. But none of said interest-bearing obligations not already due shall be redeemed or paid before maturity unless at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at pay in coin. And the United States also solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin.

That is the basic of all subsequent coin legislations of areas it is

That is the basis of all subsequent coin legislation so far as it is made applicable to the redemption of notes or the sale of bonds. The refunding act, following the next year, provided for the sale of coin bonds. The resumption act, passed five years later, re-

ferring to the bonds authorized by the act of 1870, brings up the same old question.

same old question.

I have among my papers the language which appears upon the bonds issued under the authority of the refunding act of 1870. The wording of the statute is quoted on the face of the bonds. The language refers specially to the fact that the bond is to be paid in coin of the standard value of our coin in 1870.

The alteration made by the coinage act of 1873, changing the application of the unit from silver to gold, did not have the effect of demonetizing silver any more than the original act of 1792 demonetized gold by applying the unit to silver. There is nothing in the law of 1873 which in any manner affects the legal-tender functions of the silver dollar. Its coinage was stopped by that act, but its office as one of the lawful coins of the country was not in the least degree altered. Every silver dollar then in existence was as good for monetary purposes after the passage of the act as it was before.

NO DEMAND FOR THE ACT OF 1873

And there was no demand for the coinage legislation of 1873. While gold and silver coin were assumed to be the basis of our money, the truth is we were then, and had been at least twelve years, on a paper basis. No coin had been in circulation during that period. All contracts had been made on the basis of the paper that period. All contracts had been made on the basis of the paper dollar. Banks had suspended specie payment in December, 1861, and from that time forward the only money used among the people was paper. The Government carried on the most expensive war in history without a dollar of coin. All its enormous contract debts were paid in Government notes. The Treasury transactions during the four war years amounted to over four thousand million dollars, and it was all done with paper money, except a mere fraction that was paid in coin by way of interest. At a conference held in Paris in 1867 the monetary condition of the world, or, more properly speaking, the interests of the great

At a conference held in Paris in 1867 the monetary condition of the world, or, more properly speaking, the interests of the great moneyed agencies of the world, were considered, and several American gentlemen of note were present. That conference probably was the first of its kind to give impetus to the movement which in the following six years resulted in the establishment of the gold basis in Germany and the United States, and virtually the same thing in France and the other States of the Latin Union—Belgium, Switzerland, Italy, and Greece.

In this country the subject had not been discussed except among men interested in money as dealers, such as great bankers, brokers.

In this country the subject had not been discussed except among men interested in money as dealers, such as great bankers, brokers, and speculators. The gold corner which brought on the panic of 1873 was inaugurated and managed by men who were interested in establishing a gold basis. The subject had been considered at the Treasury Department, and Secretary Boutwell, who recommended the report of his Comptroller of the Currency, paving the way for unfriendly silver legislation, is, so far as I know, the only participant in that costly proceeding who is proud of the part he played.

There was nothing in the situation which required such legis-

There was nothing in the situation which required such legislation, nothing that could excuse the pressing of such a measure at such a time without public discussion before the people. We had long been accustomed to the use of paper money, and the general acquiescence of the people made the time appropriate for a quiet march upon them. While they slept one of their strongest outposts was captured by stealth.

WE ARE A DIMETALLIC PROPLE.

Mr. President, we have been from the beginning a bimetallic Mr. President, we have been from the beginning a bimetallic people, supplementing our metal with paper money as our business necessities required. Paragraph 5 of section 8 of Article I of the Constitution of the United States provides that Congress shall have power "to coin money, regulate the value thereof, and of foreign coin." In pursuance of this authority Congress provided early for the coining of money out of gold and silver at valuation named in the law, and all our subsequent legislation down to 1873 was enacted on the bimetallic basis. All political parties uniformly recognized the law of our monetary system. No party at any time would have dared to advocate a change. The alteration had to be done without the people's knowledge or

The alteration had to be done without the people's knowledge or it could not have been done at all.

Even now, while both of the great political parties practice gold monometallism through their members chosen to administer the laws, the parties in their national and State conventions declare in favor of bimetallism.

The People'is a posterior in the last political pletform asserted a

in favor of bimetallism.

The Republican party in the last national platform asserted a well-known fact when declaring that "the American people from tradition and interest favor bimetallism." And the Democratic party declared the same idea. Nobody disputes that proposition. Our history is very clear on that point. But the bimetallism which the American people favor from "tradition and interest" is the bimetallism established by the fathers and continued by their descendants—the dollar to be the unit and its representative coin to be made of 371½ grains of silver, with multiples made of gold at a proper ratio fixed by United States laws.

Every well-informed person knows that in 1873 silver bullion,

measured by gold coin, was worth 3 per cent more than gold. If the object of the financiers of that day had been to preserve and use the best money, as they now declare to be the safest policy, it would seem that they ought to have let the laws stand as they were; or, if an adjustment was necessary, and they had done as they now insist on doing, they ought to have legislated gold coins up to the silver standard by putting a little more gold in them. What is good doctrine now ought to have been equally good then touching the same matter. If the most valuable metal must be the basis, and if the parity must be attuned to that, then surely a great mistake was made in 1873 by making the cheaper metal the basis. If the modern theory be correct, a great many people were defrauded by putting off on them 97-cent dollars.

Although silver dollars had always been full tender, still, on

account of their weight as compared with gold coins, they were not so desirable for making large payments. And it could not reasonably be expected that this relation would be materially altered in the future. Hence farseeing speculators could easily see that, with our national obligations all payable in coin and the great body of our currency being in paper which we had agreed to redeem in coin, if silver could be demonetized it would be a simple matter to get control of the basic money, the dearer metal, gold, and thus more surely control the financial affairs of the

And how wisely they calculated. The profits made on the refunding bonds of 1870 have not been less than 25 per cent, or about \$450,000,000.

The act of 1873 would alone have accomplished all that was The act of 1873 would alone have accomplished all that was intended and desired by the money changers in their effort to limit the basic money to one metal, and that the dearer one. But Congress took the matter in hand, and early in 1878, in a joint resolution agreed to by a very large majority in each House, declared that gold and silver coin alike were the lawful coin of the United States, and that all our national obligations were payable in either wheth of them. It was however impressible to pass a free coin. or both of them. It was, however, impossible to pass a free-coinage law. The best that could be done was to compromise on the Bland-Allison Act, and that had to be passed over the President's

A VICIOUS PROVISION.

One vicious provision was incorporated in that law which did not attract any attention at the time, and it has not had the attention its importance justifies at any time. I refer to these words, found in section 3:

That any holder of the coin authorized by this act may deposit the swith the Treasurer or any assistant treasurer of the United States, in s not less than \$10, and receive therefor certificates of not less than \$10 co sponding with the denomination of United States notes. The coin depos for or representing the certificates shall be retained in the Treasury for payment of the same on demand. Said certificates shall be receivable customs, taxes, and all public dues, and when so received may be reissued.

WHAT FREE COINAGE MEANS.

In order that the intent and purpose of this section may be readily perceived, it must be remembered that the whole act is a scheme to defeat the free-coinage bill originally introduced by Mr. Bland. It is necessary, also, to understand just what free

coinage is and how it affects the currency.

Free coinage is clearly expressed in the original mint act, April 2, 1792, section 14, in these words:

That it shall be lawful for any person or persons to bring to the said mint gold and silver bullion, in order to their being coined; and that the bullion so brought shall be there assayed and coined as speedily as may be after the receipt thereof, and that free of expense to the person or persons by whom the same shall have been brought.

The proceeding is still more tersely and briefly expressed in section 14 of the act of 1837:

That gold and silver bullion brought to the mint for coinage, shall be received and coined by the proper officers for the benefit of the depositor.

Free and unlimited coinage means the coining without charge of all gold and silver bullion brought to the mint, and delivering the coin to the owner of the bullion as soon as it is coined. It is

the coin to the owner of the bullion as soon as it is coined. It is exactly the same kind of a transaction as taking a grist of wheat or corn to the mill and having it ground into flour or meal, except that the miller exacts toll, while the mint makes no charge. There is another thing about free coinage that is especially important and must not be overlooked. The owner of bullion takes bullion to the mint and takes coin away with him. It is the owner of the bullion and not the Treasury of the United States that gets the coin. And he wants it because it is coin, something that he can use anywhere and everywhere in the country in the transaction of husiness and in the forwarding of enterprises in which he action of business and in the forwarding of enterprises in which he wishes to engage. In short, he wants it because it is money. And it is of no benefit to him without use. Its use is circulating among the people, performing the functions of money. It pays for labor, it purchases materials, it pays debts, it stimulates industry, and it infuses life into trade. These coins which have been fashioned from the bullion are charged with the highest and most exalted attributes of sovereignty. They are authorized and empowered to effect exchanges of property and of values among the people,

and they are commissioned to cancel pecuniary obligations among citizens. They have a still higher prerogative than this. They may take the place of a specific performance of a contract which or both parties has been unable to execute according to agree ment. From the moment these coins go into the possession of their owner they are that much added to the stock of active money of the country, for their owner got them for that purpose, and he will see to it that they get into active circulation as soon

But when the Government purchases bullion and piles the coin in the Treasury it does not get into circulation at all. And herein in the Treasury it does not get into circulation at all. And herein lies one advantage of free coinage to the people. In the latter case the coin goes out at once among them. It is the chief business of its owner to get it into circulation, for it is of no benefit to him until he does. When it lies in treasury vaults it is of no use to any person, unless it is represented by continuous. til he does. When it lies in treasury vaults it is of no use to any person, unless it is represented by certificates or notes that are out circulating as money. But the certificates do not affect the value of gold unless they are made lawful tender in payment of debts to private creditors.

SILVER CERTIFICATES NOT MONEY.

The Bland-Allison Act provides that the bullion purchased shall be coined into standard dollars, which shall be full legal tender except where otherwise expressly stipulated in the contract. It will be seen that notwithstanding the title of the act, which is "An act to authorize the coinage of the standard silver dollar, and "An act to authorize the coinage of the standard sliver dollar, and to restore its legal-tender character," in effect in practice the legal-tender character of the coin is not restored; for, by inserting the words "gold coin" in a note or other contract, the law may be nullified and its purpose defeated. However, passing over that point for the present, the act provides that holders of these silver coins may deposit them with the Treasurer or any assistant treasurer of the United States in super of \$10 to think the states. urer of the United States in sums of \$10 at a time and receive one ten-dollar certificate for them, and the coins will be held for him subect to his order on surrender of the certificate. however, is not money. Its holder can not pay a debt with it unless the creditor is willing to accept it. He can pay taxes due the General Government with it, but not taxes due his own school district, township, county, city or State; nor can he discharge a judgment against him in court with silver certificates. The Government will receive them, but they are not legal tender for any

purpose among the people in their business affairs.

This is not all. The coin not going out among the people in the first instance, but into the Treasury where it is under control of the Treasurer, and the certificates being usable to pay customs and Government taxes, importers, brewers, and distillers could use large amounts of them for that purpose quite as well as they could use silver dollars, and they are much more convenient. So, in-stead of paying out the new coins in the first instance to contractors and public officers, who would always prefer the paper rather than the heavy silver coin, the certificates were prepared in advance, and, as matter of fact, much the greater portion of the coins were not paid out at all to anybody; nor were they, to any considerable extent, ever even offered to be paid, and nobody ever deposited them. It was not intended that they should be paid out, because in that case they would have served the uses of money as well as gold coin and lessened the value of gold accordingly.

With a vast amount of silver coined, it has been so managed

that but little of it gets out among the people except the subsidiary pieces. Most of the dollars, which are legal tender, are kept in the Treasury and are represented by silver certificates, which are not legal tender, and therefore are not competitors of gold in the money market; and although there is about \$140,000,000 worth of uncovered silver coin and bullion in the Treasury belonging to the Government, it is not paid out in redemption of Government paper, nor for interest on the public debt, nor for any other purpose. Hence, when the bankers of Wall street find any other purpose. Hence, when the bankers or wan street large business dull in ordinary times, they prey on the people at large by presenting Treasury notes for redemption and receiving gold coin in exchange for them. As soon as gold enough is withdrawn in this way from the Treasury to "destroy confidence," then the Treasury offers bonds for sale, and a syndicate is at hand with the gold ready to pay for the bonds—the same gold that they had into the same gold that they had just drawn from the Treasury. The notes soon get into circulation again; they are again presented for redemption, gold is paid for them as before, and the gold is again sold back for bonds, and so the work of spoliation goes on. These bonds run many years, bearing interest payable semiannually, all of which, both principal and interest, to be paid in gold, according to the official contraction of the laws. And the bonds are again to the official contraction of the laws. struction of the laws. And the bonds and coupons are not subject to taxation by any power, domestic or foreign.

This is one of the subjects that the act of 1873 was intended to

accomplish. And it has succeeded admirably. In 1869 we promised to pay all our debts with coin; in 1870 we refunded our debt, so as to make sure work of it, and authorized the issuance of \$1,500,000,000 in bonds payable in coin. (Next year the amount was increased to \$1,800,000,000.) In 1873 we arranged to discontinue the coinage of legal-tender silver, so as to have gold only as

our money of final payment. In 1875 we agreed to resume specie payment and authorized the sale of coin bonds for that purpose if need be. In 1882 the bonds had been worked up to a high we payment and authorized the sale of coin bonds for that purpose if need be. In 1882 the bonds had been worked up to a high premium, and the banks during the next eight years sold bonds and withdrew circulating notes to the amount of near \$240,000,000. In 1890 Wall street made its first effective raid on the Treasury, and in 1894 demonstrated its power over the Government and the people of the country by compelling the issue of vast amounts of bonds, without either law or necessity, to buy gold with.

SCHEME TO KEEP SILVER COIN IN THE TREASURY.

The object of putting section 3, which is the last section, in the Bland-Allison Act was to keep as much of the silver coin in the Treasury as possible, letting it be represented among the people by paper certificates that are not legal tender, and thus preserve the ascendency of gold as our full legal-tender money. It matters not to the men who control our finances how much paper money or subsidiary coin is out, so long as they can keep gold the basic coin, the money of final payment. And even though our silver coin be full lawful tender, as long as it lies in the Treasury and is represented by certificates that are not money at all, any more than bank notes are, that long the silver is out of the way for all monetary purposes and gold still has the field.

Another effort to procure a free-coinage law was made in 1890, and another defeat was suffered. The Sherman law provides for the purchase and coinage of silver bullion; but by the insertion of the "parity" clause coinage of the bullion is rendered discretionary; for while the law provides that enough of the bullion shall be coined to redeem the notes that were paid for it, the par-ity clause was intended as instruction to the Secretary to redeem the notes with gold, an instruction which that officer has sedu-lously followed. The final act of demonstration which signalized the victory of speculators over the people was consummated by the repeal of the purchasing clause of the Sherman law in 1893, to the national disgrace and at a cost already of nearly \$165,000,000 of interest-bearing bonds, running from ten to thirty years. And now the Government and people of the United States are at the mercy of a syndicate of gold speculators in New York and London.

NOT COIN ENOUGH IN THE WORLD.

There is not coin enough in the world to transact the ordinary business of the people, and in our own country we are now buying gold to maintain a coin basis for our monetary system.

WE NEED COIN TO PAY OUR COIN OBLIGATIONS

We shall need a great deal more coin than we now have or can

We shall need a great deal more coin than we now have or can procure unless we go into our mines and dig the metal there to manufacture the coin out of. We have an immense outstanding indebtedness that we have promised to pay in coin, and this obligation must be provided for if we do not wish to play Micawber and pay our debts with new notes.

The total amount of bonds authorized by the refunding act of July 14, 1870, as amended by the act of January 20, 1871, was \$1,800,000,000, \$500,000,000 redeemable in ten years, \$300,000,000 in fifteen years, \$1,000,000,000 in thirty years. All of them have been redeemed except about \$25,000,000 of the fifteen-year issue and nearly \$600,000,000 of the thirty-year issue. In 1894 and 1895 three separate issues were made, two of them redeemable in ten years and one in thirty years, all redeemable in coin, according to the terms of the refunding act of 1870.

AMOUNT OF OUR BONDED DEBT.

Our bonded debt now amounts to nearly \$750,000,000, made up of these items:

Payable at any time	\$25, 364, 500
Payable July 1, 1907	
Payable February 1, 1904. Payable — -, 1925.	

747, 277, 800

Here is a sum equal to one-fourth of the national debt at the Here is a sum equal to one-fourth of the national debt at the close of the late war, and we have no gold that we can rely upon to pay this debt as long as the present policy of the Treasury is continued. Within a period of little over twelve months we sold more than \$162,000,000 worth of bonds for gold—not to pay debts with, for no debts were then due that we did not have gold enough to pay, but to defray current expenses of the Government.

Nearly six months were required and allowed on the last of these bond transactions to collect and deliver the gold only about 25

bond transactions to collect and deliver the gold, only about 25 per cent of it coming from abroad, and we have now in the Treasury less than one-third of the year's purchases.

At this rate we shall be bonding ourselves at the rate of \$163,-000,000 a year and never have more than \$100,000,000 on hand. Where is the gold to come from to pay this \$747,000,000 as it be-

comes due? It can not be procured at all in all probability. Our only resource will then be to refund the debt and mortgage the country for another fifty or a hundred years, and that is just what the gold syndicate is working for. So long as they can levy tribute on the labor of the people and feel sure that it will be collected at the cannon's mouth if need be, they can "laugh and grow fat,"

while the country lies prostrate at their feet.

But this is not all. By the credit-strengthening act of March But this is not all. By the credit-strengthening act of March 18, 1869, we promised to pay our Government notes in coin. The greenbacks now out amount to \$346,681,016; and under the provisions of the Sherman Act of July 14, 1890, there have been issued and are now out \$143,666,280, a total for both classes of notes of \$490,347,296. This amount—nearly \$500,000,000—is redeemable on demand in coin. If the people could have their way, these notes would never be presented for redemption; they would remain in active circulation until they were worn out and would then be replaced by new notes. But the people do not have their way. The speculators are in the saddle, and if we may judge by their conduct during the past two or three years, these notes will be presented for redemption fast enough to keep the brokers in profitable employment. able employment.

Thursday, January 16, 1896.

TREASURY MUST BE PROTECTED AGAINST MARAUDERS.

Mr. PEFFER. Mr. President, yesterday when I was interrupted by the Senate going into executive session, I was discussing the proposition that we need more coin with which to pay our coin obligations, and was giving that as one reason why I am in favor of and insist upon the coinage of silver upon equal terms with gold. Having reached that point, I continue that under existing conditions, if we would protect the Treasury against these marauders we must follow one or the other of two lines of policy with respect to the Government notes. We must either take them in at once, and we can do that only by funding them in coin bonds, for we have no gold to pay them with, or we must sell bonds to purchase gold enough to not only redeem the notes as fast as they are presented, but also to keep up a successful contest with the combined financial agencies of the great trade centers of the world. In either case we are at the mercy of the most dangerous and the most powerful combination of men on earth. Without the presented we have the presented and the most powerful combination of men on earth. changing our financial methods and our monetary system we shall never again be a free people. We shall always be subject to shall never again be a free people.

shall never again be a free people. We shall always be subject to the rule of the money power.

But even when we do make this needful change, if the work were to be done to-morrow, here is this existing coin debt facing us, and that must be paid in good faith, according to the contract,

Bonds running ten to thirty years, amounting to \$747,277,300; notes payable on demand and to be reissued and kept in circulation, to be again redeemed and again reissued, and so on interminably—\$490,347,296 of them. Bonds and notes, total debt, \$1,237,624,596, all payable in coin of silver and gold, and our stock on hand is utterly inadequate.

COIN OF THE PRESENT STANDARD VALUE-1870.

All our outstanding bonds were issued under or subject to the provisions of the refunding act of July 14, 1870. That provides that the bonds therein authorized shall be "redeemable in coin of the present standard value." The language of the law is:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate \$200,000,000, coupon or registered bonds of the United States, in such form as he may prescribe, and of denominations of \$50 or some multiple of that sum, redeemable in coin of the present standard value, etc.

The act provides for \$1,500,000.000 of bonds in all, and the next year the amount was increased by \$300,000,000, all payable in "coin of the present standard value."

I have here a copy of the reading matter placed on a one-thou-sand-dollar bond that was issued under the provisions of the re-funding act of 1870. I addressed a letter to the Secretary of the Treasury asking for this matter. My letter was referred to the Treasurer, and through him to the Register, and I have here this certificate:

TREASURY DEPARTMENT, OFFICE OF THE REGISTER,
Washington, D. C., January k, 1896.

SIR: Your letter of the 27th of December, 1895, addressed to the Treasurer of the United States, having been referred to this office by the honorable Secretary of the Treasury. I have the honor, in compliance with your request, of transmitting herewith "a certified copy of the reading matter appearing on the face and on the back of a United States bond issued under provisions of the refunding act of 1870."

You will observe I have copied the text of a \$1,000 bond. The only difference to be found between this text and that of other denominations of the same loan, lies in a change of the wording relative to the denomination of the bond. That is to say, on a \$100 bond the words "one hundred dollars" would appear wherever the words "one thousand dollars "appear in the copy submitted.

J. F. TILLMAN, Register.

appear where, mitted. Respectfully, yours, Hon. W. A. PEFFER, United States Senate,

FACE OF BOND.1 1877 1907 M FOUR PER CENT CONSOLS OF THE UNITED STATES. Principal and interest payable in coin PICTURE PICTURE ONE OP OF THOUSAND LINCOLN. UNITED STATES TREASURY. At the Treasury of the United States. Washington. July 1st, 1877. THE UNITED STATES OF AMERICA In the sum of

ONE THOUSAND DOLLARS.

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt, approved July 14, 1870," amended by an act approved January 29, 1871, and is redeemable at the pleasure of the United States, after the first day of July, A. D. 1897, in coin of the standard value of the United States, on said July 14, 1870, with interest, in such coin, from the day of the date hereof, at the rate of four per centum per annum, payable quarterly, on the first day of October, January, April, and July in each year. The principal and interest as well as from the payment of all taxes or duties of the United States, as well as from taxation in any form, by or under State, municipal, or local authority.

Date of issue..... Transferable on the books of this office. Entered.....Recorded.....

Register of the Treasury,

Act of July 14th, 1870.

What does that language mean? What was the coin of the country at that time and what was its standard value? It must be remembered that this law was enacted nearly three years before the act of 1873, which dropped the silver dollar out of the list of coins and changed the coin representing the unit of value from or come and changed the coin representing the unit of value from silver to gold. At the time the refunding act was passed, requiring the bonds to be paid in coin of the "present standard value," then and for eighty years prior thereto the lawful coin of the United States, and of Germany and France, of Belgium, Switzerland, Italy, and Greece, was silver and gold, and silver alone had been the monetary basis of more than two-thirds of all the people or earth during means contrained to the time the reple on earth during many centuries before. At the time the refunding act was passed every one of the leading nations, except only Great Britain, used gold and silver as their basic money metals. It was not until a year afterwards that Germany changed from silver to the gold basis, and not until some years later that France, Belgium, Switzerland, Italy, and Greece, constituting the

Latin Union, discontinued the free coinage of standard silver coin.
In 1870, then, when we agreed and promised by solemn act of
Congress that we would fund our public debt in bonds running ten, Congress that we would fund our public debt in bonds running ten, fifteen, and thirty years, redeemable, principal and interest, in "coin of the present standard value," the lawful coin—the legal-tender coin—not only of the United States, but, as I have just stated, of all the great nations except Great Britain only, was coin made of gold and silver. No steps had been taken at that time by any government to demonetize silver. What Great Britain had done was done more than fifty years before that time.

In order to provide means to pay what we have promised to pay, and in coin, according to the contract, and to avoid the further enslavement of the people through our inability to pay in gold coin, we must have silver coin to meet the demands as they fall due.

they fall due.

SILVER COINAGE IS NOT REPUDIATION.

Do you say this is repudiation? I answer it is not only not repudiation, but it is just what everybody knows we agreed to do, what our creditors contracted for, and what our legal and moral obliga-

our creditors contracted for, and what our legal and moral congations require us to do.

"Sound money" advocates seem to have forgotten what the contract is. They utterly ignore the law and flaunt in our faces a false and fraudulent statement, proclaiming, "This is the contract! This is the contract! This false and fraudulent misrepresentation is that our contract was and is that we shall pay our debts with cold coin. debts with gold coin.

Let us examine this matter carefully. The people are honest; they want to abide by their contracts, and they expect their public agents to deal fairly with them.

lic agents to deal fairly with them.

In the first place, our present national obligations to pay money arose out of indebtedness incurred during the great war beginning in 1861. Nearly all of that vast indebtedness was payable in paper; only the interest on bonds and notes was to be paid in coin. In 1869, in the act to strengthen the public credit, we voluntarily assumed to pay, "in coin or its equivalent," all the obligations of the United States notes, and all the interest-bearing obligations of the United States notes, and all the interest-bearing obligations of the United States notes, and all the law authorizing the issue of any

States notes, and an the interest-bearing obligations of the Chited States, except in cases where the law authorizing the issue of any such obligation had expressly provided that the same might be paid in lawful money or "other currency than gold and silver."

That was in 1869, March 18. Is it not perfectly plain and easily understood, from the language used, that both gold and silver were then included in the word "coin"? We agreed to pay in some content of the currency bearing obligations. coin or its equivalent all our interest-bearing obligations

except in cases where the law authorizing their issue expressly provided that they may be paid in currency other than gold and silver.

Could language be more plain? We promised to pay in coin every bond and interest-bearing note, excepting such as were payable in something else than "gold and silver." These are the words of the statute.

That much, then, is clear, that the coin we promised to pay included, and was intended to include, both gold coin and silver coin. And that is what was urged annually by the Secretaries of the Treasury during all the years of the war when we were daily issuing large amounts of paper money and bonds. Let me repeat the words of the law. The refunding act of July 14, 1870, begins with these words. with these words:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate \$200,000,000, coupon or registered bonds of the United States, in such form as he may prescribe, and of denominations of \$50, or some multiple of that sum, redeemable in coin of the present standard value, etc.

At that time the coin of the United States was the same in all respects that it had been for nearly eighty years, except that in 1834 the weight of the gold coins had been reduced 6 per cent, and as to the silver coins the gold coins had been reduced 6 per cent, and as to the silver coins the only changes were that of 1837, diminishing the amount of alloy, and that of 1853, reducing the legal-tender function of coins less than the dollar to payments of \$5. So far as the weight of pure silver in the dollar is concerned, that has never been altered—not even to this day. Our legal coin when the acts of 1869 and 1870 were approved was the same as it had been seventy. of roward 1870 were approved was the same as it had been seventy-five years as to silver and thirty-five years as to gold. During all of that time any debt of any amount was payable in either silver coin or gold coin or both, as the debtor chose, and when we said in the law of July 14, 1870, that the Secretary of the Treasury should issue bonds to refund the national debt and that we would should issue bonds to refund the national debt and that we would pay the bonds "in coin of the present standard value" we simply agreed to pay in the coin which was our lawful tender coin at that time. The law of 1834 put the value of the gold piece of 258 grains at \$10, while the law of 1792 had put the value of the dollar or unit at the same as that of the "Spanish milled dollar" then current, and at those values and proportions gold coins and silver dollars were made a lawful tender in payment of debts of any and all

amounts.

It is clear, then, that we may, at our option, pay all our national interest-bearing obligations in gold coin or silver coin or either, for we have no such obligations outstanding except such as were issued under the provisions of the refunding act of 1870. The late issues are conceded on all hands to be governed by that act, if there is any authority for their issue.

OFFICIAL INTERPRETATION OF THE WORDS "COIN OF THE PRESENT STANDARD VALUE."

seems strange that there can be now, or that there ever seems strange that there can be now, or that there ever should have been, any question on this point. But because there seems to be now some doubt about it, I have dwelt upon the subject more at length than it would otherwise warrant. And I have not done with it. There is some official interpretation of the language and some authoritative construction of the law re-

the language and some authoritative construction of the law relating to the subject.

The present senior Senator from Ohio [Mr. SHERMAN], when he was Secretary of the Treasury, raised the point, and asked the opinion of the Attorney-General of the United States as to whether the coinage act of 1973 in any way affected the terms of our contract to pay the bonds in coin. I read his letter:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY, Washington, D. C., April 21, 1877.

SIR: I beg leave to call your attention to, and ask your opinion upon, the following questions growing out of the refunding act of July 14, 1870, to wit: Can I stipulate in the body of the 4 per cent bonds about to be issued that they shall be redeemable in coin of the present standard value—that is, the standard value at the date of their issue, or must it be the date of the law? I submit a statement, prepared by the Hon. H. M. French, Assistant Secretary, having reference to the laws.

It may become important to the public interests to make the new bonds payable in coin of the present standard—that is, gold coin. Some doubts have been expressed upon whether previous bonds issued under acts passed prior to 1873 are not legally payable in silver coin. This question may become important, as any doubt upon the legal terms of a public security affects its value.

Very respectfully,

JOHN SHERMAN, Secretary.

Hon. CHARLES DEVENS.

In answer, the Attorney-General wrote this letter:

Attorney-General.

In answer, the Attorney-General wrote this letter:

Department of Justice, Washington, April 26, 1877.

Size: In answer to your letter of the 21st instant requesting my opinion upon the following question growing out of the refunding act of July 14, 1870, to wit, "Can I stipulate in the body of the 4 per cent bonds about to be issued that they shall be redeemable in coin of the present value, that is, the standard value at the date of their issue, or must it be the date of the law?" I have the honor to reply:

The sot provides for the issue of bonds "redeemable in coin of the present standard value." The word "present" undoubtedly refers as a matter of date to the time when the act was passed, and not to the time when the bonds were thereafter issued. It contemplated that a long period would elapse before it would finally be carried into effect, and that changes in the coinage of the country might occur during that period.

Whatever changes in the coinage should occur, these bonds, were, however, to be redeemed in coin of the standard value as it existed at the date of the act. By this provision the holder was guarded against any depreciation that might take place in the value of the coin, and the Government would not be compelled to pay the additional value should the coinage be appreciated. All the bonds issued under the act were to stand alike, no matter what was the date when such bonds were issued. Each was to be redeemable in coin which was included in the authorized coinage of the country at the date referred to, it being of the standard value as it then existed. Since the law was passed no change has taken place in the standard value of the coin. It is understood that there has been a certain change in the coinage of the country, and that silver dollars have now consect to exist practically as coin.

It has been further provided by the statute of February 12, 1873 (Revised Statutes, sections 3985, 3386), that "the silver coins of the United States shall be a legal tender at their nomi

provides.

While I comprehend the difficulty suggested in your letter and the converience that there might be in removing any question upon this matter, I am therefore, of opinion that it would not be safe to issue the bonds, except a redeemable in coin of the standard value of July 1s, 1870.

Very respectfully, your obedient servant.

CHAS. DEVENS, Attorney-General.

Hon. John Sherman, Secretary of the Treasury.

This correspondence took place during April, 1877. Mr. Secretary Sherman, seeing that the law officer of the Government construed coin the same as it had always been construed in the United Struck con the same as it had always been construed in the United States, and desiring to make the bonds more salable by making them a more desirable investment for men who make a business of lending money in large amounts, asked Congress to authorize him to make the bonds redeemable in gold coin. The request is in the form of a recommendation in his report under date December 3, 1877, in these words:

If, therefore, the public interests demand the issue of silver dollars—a subject hereafter discussed—it is respectfully submitted to Congress that an express exception be made requiring that gold coin alone shall be paid for principal or interest on bonds issued to public creditors since February 12, 1873, the amount of which is \$502,000,700. These bonds have entered into the markets of the world. If the market value of the silver in the new coin is less than the gold dollar, a forced payment in the new coin is a repudiation of a part of this debt.

The point that was suggested by the then Secretary of the Treasury, Mr. Sherman, was that in case at the time the bonds were to be paid the amount of silver in the silver dollar should be of less value than its coin value, and creditors were forced to take it, it would be to that extent the repudiation of the debt.

would be to that extent the repudiation of the debt.

Congress did not act on this recommendation. One would suppose this fact to be notice, if any were necessary, to the officials of the United States that Congress did not agree with the Secretary in his interpretation of the case, whether upon the law or the facts. Congress did not see that either the law or the equities required any readjustment. Congress knew, as all men knew, that the bondholders had taken very good care of themselves already, and had in 1870 provided for full, and more than full, payment by the passage of the provision for payment in coin of either metal.

Quoting from page 200 of Senator Jones's admirable speech of

People who buy bonds do not buy them from altruistic motives. They buy them for their own profit and advantage. They buy bonds of the United States as they buy all bonds, only after exercil scruting of the terms on the face of the bonds, and of the laws by authority of which these bonds have

And I have read the words printed on the face of the bonds They look sharply to the figures which show the dates of payment of principal and interest, but above all, and rising beyond all other considerations,

they look to the medium, or as they term it, the standard in which the payment is, by the terms of the bond, to be made.

To suppose that such a feature is neglected would be to suppose that public creditors, the keenest of men, had lost their cunning. Every bond ever issued has, in plain terms, stated on its face the authority for its existence. It contains a clear citation of the law or laws which constitute the reason for its being. These laws are open to public inspection. No class of persons better than public creditors so well understand the limitations which the laws of all civilized nations place upon the functions of executive officers with respect to issuing bonds or incurring debts or obligations on behalf of their country. They know that the duties of those officers in connection with loans are specified in the laws by which the loans are authorized to be effected. Hence these loans are examined as with a mental microscope to see that no doubt exists as to the authority of the officer who executes the securities, and as to all other particulars concerning payment of the obligation. If they did not observe on the bond the plain printed statement that it was payable in the standard coin of the United States of July 14, 1870, they must have been blind indeed.

I have never heard a denial by anyone having knowledge of the legicient.

indeed.

I have never heard a denial by anyone having knowledge of the legislation under which the bonds were issued that it is the legal right of the United States to pay those bonds in either gold or silver coin. It is said that at the time of the negotiation of the bonds silver money was out of use in this country. The sufficient answer to that is that gold was equally out of use. It is said that the bonds were sold to citizens or subjects of countries in which silver was not recognized as money. This was certainly not true of Germany, in which country early and considerable sales were made. Germany was on the silver standard until December, 1871, and had considerable silver in its coin for a long time after that. Besides, our bonds were not, either by their terms or by implication, payable in foreign countries or in the money of those countries. They were payable within the United States, and it was distinctly affirmed on their face that they were payable in dollars of the United States.

While Congress took no action on the recommendation of Mr. Secretary Sherman, it did take action of its own motion. In order to place the matter beyond possibility of doubt or peradventure, this whole question as to whether the bonds of the United States were lawfully payable in either gold or silver at the option of the United States was thoroughly discussed by the representatives of the people in both Houses of Congress in 1878, prior to the passage of the silver-purchase law of that year. On the 16th of January, 1878, the Hon. Stanley Matthews, then a Senator from the State of Ohio, in view of the claims of the bondholders and their representatives in Congress that the bonds were legally payable in gold alone, submitted to the Senate a concurrent resolution designed to call forth the views of the members of the House and Senate nine years after the passage of the act of March 18, 1869. That was time enough for second thought. The preamble of the resolution recites the condition of existing laws relating to the payment of United States bonds. United States bonds. I read it just as it was presented:

recites the condition of existing laws relating to the payment of United States bonds. I read it just as it was presented:

Whereas by an act entitled "An act to strengthen the public credit," approved March 18, 1869, it was provided and declared that the faith of the United States was thereby solemnly pledged to the payment in coin or its equivalent of all the interest bearing obligations of the United States, except in cases where the law authorizing the issue of such obligations had previously provided that the same might be paid in lawful money or other currency than gold or silver; and

Whereas all the bonds of the United States authorized to be issued by the act entitled "An act to authorize the refunding of the national debt," approved July 14, 1870, by the terms of said act were declared to be redeemable in coin of the then present standard value, bearing interest payable semi-annually in such coin; and

Whereas all bonds of the United States authorized to be issued under an act entitled "An act to provide for the resumption of specie payments," approved Jannary 14, 1875, are required to be of the description of bonds of the United States described in the said act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt"; and

Whereas at the date of the passage of the said act of Congress last aforesaid, to wit, the 18th day of July, 1870, the coin of the United States of standard value of that date included silver dollars of the voluted States of standard value of the date included silver dollars of the voluted States of standard value of the united States," to be a legal tender of payment, according to their nominal value, for any sums whatever: Therefore,

Be it resolved by the Senate (the House of Representatives concurring therein). That all the bonds of the United States, in silver to their nominal value, for any sums whatever: Therefore,

Be it resolved by the Senate (the House of Representatives concurring therein). That all the bonds of the United Sta

An effort was made by Senator Edmunds, of Vermont, to have the resolution modified in favor of gold payments when demanded by the creditor, but the amendment was voted down—yeas 18, nays 48—and the resolution passed the Senate by a large majority. It was at once sent to the House, where in like manner similar amendments were defeated, and the original resolution passed

amendments were defeated, and the original resolution passed by 180 yeas to 79 nays.

It surely must be clear now that "coin" in the United States in 1870, when the refunding act was passed, meant and was universally understood to mean just what it always had meant since the formation of the Government, namely, gold and silver in coin. It is equally clear that the coin which we promised in 1869 to redeem the greenbacks with was the same gold and silver coin. Hence, if we do pay or redeem in that kind of coin we shall have faithfully and honestly complied with our promise.

THE WORD "DOLLAR" HAS A WELL-UNDERSTOOD MEANING

The objection that this amounts to repudiation is not well taken, for there is nothing in the contract or in the intention of the parties to it that makes us insure our creditors against a fall in the

market value of gold or silver bullion. The word dollar in mone-tary language has a well-understood meaning. The law says that a certain amount in weight of pure gold or of pure silver, when fashioned in certain ways, shall be regarded as the representative of a dollar, and that it shall be lawful tender for that amount in payment of all debts to any amount whatever. That is the value of the full-weight coin; it is less in proportion when the coin is not full weight. But as long as it is coin it is lawful money to the extent of its weight at the legal proportion in its own country. It is always valued at its coin value in the money market except in foreign countries. There it is nothing but bullion. Lightweight coin is not thrown away as bullion but passes as coin, and is valued according to the standard weight of coin. For example, if a gold eagle is found to be 2 per cent light, it would pass at \$9.80, even though gold bullion might be above the par of coin. So, if a silver dollar be 2 per cent light, it would pass at 98 cents, though silver bullion might be 25 per cent or 50 per cent below market value of gold or silver bullion. The word dollar in monethough silver bullion might be 25 per cent or 50 per cent below the par of coin.

STATES PROHIBITED FROM COINING MONEY.

Coin has a legal value. The Constitution of the United States authorizes Congress to "coin money and regulate the value thereof," and it prohibits the several States from coining money and from making "anything but gold and silver coin a tender in payment of debts."

Coin authorized and valued by Congress may and does circulate in every State in the Union, and has done so from the beginning. No State could prohibit such circulation. Coin is made of both gold bullion and silver bullion, and as coinit is at ender everywhere gold bullion and silver bullion, and as count is a tender everywhere within the territory and jurisdiction of the United States; but no State can make gold bullion or silver bullion a lawful tender. It is coin, not bullion, that is money. This does not deprive Congress of authority and power to coin money out of any substance other than gold and silver; but it does wholly prevent the States from coining money out of any substance whatever, and also prevents them from making anything but coin made of gold and silver a tender in payment of debts. tender in payment of debts.

BULLION A MARKETABLE COMMODITY.

And every student of finance knows that bullion of the precious metals has always been a marketable commodity, subject to fluctuations the same as other articles of commerce. These metals having long been used for monetary purposes in commerce, in order to insure greater steadiness in the monetary value of the coins, the laws of different countries have provided for the making of metallic coins of certain weights and dimension, giving to make contain least value are researched as a wait that the received to a wait that the received to a supplication of the countries are received as a wait that the received to a wait that the received the received to a wait that the received to a wait that the received to a wait that the received to a wait the received the received to a wait that the received the received to a wait the received the received to a wait the received to a wait and of metainlegal value expressed in a unit that the people understand, and in multiples or subdivisions of the unit. For centuries the people of Great Britain were accustomed to use the words "pound," "shilling," "pence," and "farthing" in estimating or counting or recording values. The "pound" was their unit. Silver had been their principal money metal, and a pound of it had a well-understood value when exchanging it for other articles. In 1816 that nation changed from a silver to a gold basis and a new arrangement of values became necessary. The latest announce-ment in that respect was made in 1844, when the laws concerning the Bank of England were revised and amended. By the provisions of that act the bank is required to pay £3 17s. 9d. per ounce troy for all the fine (pure) gold that may be presented. The gold is coined into pieces known as sovereigns, because a representation of the sovereign's head is impressed upon it. It is made of 125.5 grains of pure gold, and always passes at the legal valuation of what in our money is equal to \$4.868. Fluctuations in market price of gold bullion are set off by a rise or fall in the rate of discount at the Bank of England. It must be remembered that coin is only bullion in every country except that to which it

So, in the United States gold coins and silver coins at certain so, in the United States gold coins and silver coins at certain weights of pure metal are given certain legal values estimated in the unit (dollar), which has always had a well-understood meaning and value among the people. And that value is retained in all our dealings with one another, without regard to the market value of bullion, though our coin is weighed and valued as so much bullion of equal fineness when it is used in foreign countries.

MONEY TAKES THE PLACE OF BARTER

MONEY TAKES THE PLACE OF BARTER.

It is quite necessary that a legal value be given to money. It is the law only which gives it its value as money. If men were required to buy and sell exchange the same as they do corn and potatoes, our trade would be but the barter of 3,000 years ago, and we should have a hard time of it in transacting business according to modern methods. Money relieves us of all that trouble. That is what it is made for. When a citizen sees the Government coin or paper he knows what it represents without further ado. He values his cow at \$25, and he receives twenty-five dollar coins, or five five-dollar coins in exchange, and the trade is passed. He does not have to "weigh" out the money as Abraham did when he bought a burial place for Sarah.

Money is used in place of the old and cumbrous barter of the anoney is used in place of the old and cumbrous parter of the long ago; and the only way we can do this successfully is to affix values in terms that all understand to certain tokens or coins fashioned so that their genuineness is known and recognized by everybody. These coins pass at that value, no matter what the market value of metal is.

WHAT AN HONEST PAYMENT IS.

WHAT AN HONEST PAYMENT IS.

Without stopping now to discuss what constitutes an honest dollar, it may be safely assumed that what is fair and just between man and man is not dishonest. If I promise to pay to Grover Cleveland a bushel of wheat at a certain time, he and everybody else knows just what he has a right to expect. The law has predetermined what a bushel of wheat is. Ordinarily I might take a bushel measure full of the grain and deliver that, but Mr. Cleveland is entitled to know that the wheat is of standard weight and applify. Hence if I deliver to him 60 pounds of great merchantable quality. Hence if I deliver to him 60 pounds of good, merchantable wheat the debt is paid, honorably and honestly paid. And this is true, even though during the interval between the time of promise and the time of payment the market price of wheat has fallen or

risen.

So it is with our metallic dollars. Paul promises to pay Peter one dollar at a certain time. The law has provided that a dollar may be made of silver in a coin of a certain weight and quality. Metallic money always goes by weight. As shown by sections of laws to which I have made reference, our legal-tender coins when of full weight shall pass at their full legal value, and for proportional amounts when worn by abrasion so as to be below the law-ful standard of weight. There is not him in the law researched ful standard of weight. There is nothing in the law now, and there never has been anything in the law, which requires or au-thorizes any deduction from the face value of a coin because of any changes or fluctuations in the market price of bullion. So, the law having determined that 412½ grains of standard silver, when fashioned in a coin of particular dimensions and with certain devices on it, shall be a dollar and lawful tender for any and all debts and amounts, if Paul delivers a dollar of that kind to Peter on the day named in the contract, he has paid the debt honorably

on the day named in the contract, he has paid the debt honorably and honestly.

This proposition is surely self-evident. And, as in the case of wheat, it matters not that the market price of silver bullion has fallen or risen in the meantime. A case in point is that of the gold coins made under the act of 1834, which were 6 per cent lighter than those that had been coined under the act of 1792. These lighter coins paid debts the same as the heavier coins had done and continued to do, for the law provided that both weights, as long as the heavier ones remained in circulation, should be law-

full as the heavier ones remained in circulation, should be lawful money and legal tender.

There is nothing, then, in the cry that coins of standard weight and fineness are dishonest money simply because bullion has fallen in the market.

THE COPPERHEAD IN POLITICS. But it is said the parity between the metals must be maintained. A new kind of bimetallism has become popular in certain quarters lately; and with this coming, it may be mentioned that a new kind of politician has come. He may properly be called the "copper-head" in modern politics. We all remember that during the great war, in the Northern and Eastern portion of the country there was a considerable class of men who gave us some trouble in the rear. They manifested their most earnest and continuous sympathy with the people who were in rebellion against the authority of the Govermment, at the same time pretending to be friendly with those of us who were waging war in order to suppress the rebellion aforesaid. We gave them the name of "copperheads." These modern bimetallists are of exactly the same class with reference to this almost universal demand of the common people of the country that we have the old coinage law of 1837 restored to us. They are giving all their encouragement and all their sympathy and all their votes to our enemies, while they are pretending to be friendly

The Republican party defines bimetallism in this way:

The American people from tradition and interest favor bimetallism, and the Republican party demands the use of both gold and silver as standard money, with restrictions, and under such provisions, to be determined by legislation, as will secure the maintenance of the parity of value of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be at all times equal. The interests of the producers of the country, its farmers, and its workingmen, demand that every dollar, paper or coin, issued by the Government shall be as good as any other. We commend the wise and patriotic steps already taken by our Government to secure an international conference to adopt such measures as will insure a parity of value between gold and silver for use as money throughout the world.

The party does not demand that the act of 1873 be repealed and that the former coinage laws be restored; nor does it encourage the belief that it is not wholly given over to the doctrine of gold monometallism as advocated by the British gold mongers.

The Democratic party favors the same sort of bimetallism that its great adversary declares for, as will be seen by its last official utterance:

We hold to the use of both gold and silver as the standard money of the

country, and to the coinage of both gold and silver, without discrimination against either metal or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the markets and in payment of debt; and we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring classes, the first and most defenseless victims of unstable money and a fluctuating currency.

And in order to leave no doubt concerning the good faith of the party touching this matter, the party platform was attached to the law repealing the purchasing clause of the Sherman law. Two-thirds of the Republicans of the Senate and House voted for this declaration of policy. It is only a more verbose way of putting the words that gave to the act of 1890 the title of "Sherman law." Those words declared it to be-

the established policy of the United States to maintain the parity between the two metals—

and they were incorporated in the act of 1890 at the suggestion of the senior Senator from Ohio [Mr. Sherman], with the intent and purpose that the notes should be redeemed, not with silver coin, but with gold coin. And that distinguished gentleman still holds to the view thus covertly incorporated in the act which bears his name. In a newspaper report of his remarks at the Zanesville convention last summer I find these words:

I believe that the policy of the United States adopted in 1853, of coining fractional silver coins in limited quantities from silver bullion purchased at market price and making them legal tender for small sums, is the only way to preserve the parity of gold and silver coins at a fixed ratio. This is properly called bimetallic money.

Nothing could be plainer than that—certainly not the Republican platform. The distinguished Senator has been at the head of his party for many, many years, so far as all questions relating to finance are concerned; and this is the way the veteran legislator and the honored Republican defines bimetallism:

I believe that the policy of the United States adopted in 1853 is the best way to preserve the parity between the metals.

And he repeated this opinion when his attention was called to some criticisms of his speech by the Senater from New York [Mr. Hill]. In reply he said:

At all the conventions in Ohio we have declared we are in favor of the of both gold and silver, maintained at par with each other. To the extra that we can maintain the silver at par with gold we coin it at the presents.

Under the old laws we made the parity between the two metals hinge on the silver basis. Silver was made the unit; silver was the basis; silver was the standard; and the gold coin had to be brought to correspond with the silver.

PARITY COVERS A MULTITUDE OF SINS.

Mr. President, that little word "parity," used in this connection, like charity, covers a multitude of sins. It is a cloak for hypocrisy; it is a shield for ignorance; it is an excuse for fraud, deceit, and plunder.

Note the language of the party platform of 1892 and of the law of 1893. I read the deceitful attachment to the law repealing the purchase clause of the Sherman Act:

And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts.

That is intended to convey the thought that the framers of the law desired to pledge the Government to see that paper dollars and silver dollars shall be quite as good as gold dollars for all purposes; and it is intended, further, to convey the impression that the friends of that bill—the "sound-money men," as they are pleased to call themselves—desire that all our dollars shall be all the place of the pleased to call themselves that all our dollars shall be all the place of the pl that the friends of that bill—the "sound-money men," as they are pleased to call themselves—desire that all our dollars shall be alike valuable and have at all times equal power in the markets and in the payment of debts; yet if Senators will turn to the proceedings of the Senate when I proposed an amendment to make good this party declaration by giving the legal-tender function to each and all our dollars—gold, silver, and paper alike—I could not procure friends enough for my amendment to get a yea-and-nay vote on it, and my bill, introduced for a like purpose, was reported adversely. The bill was S. 1178, Fifty-third Congress, second session, and entitled "A bill to regulate the value of certain coins and pieces of money; to give to all sorts of current money equal qualities of legal tender, and to prohibit and prevent discriminations in favor of gold coin or bullion as money." And notwithstanding the noise and clamor that has been made since that time by the sound-money people, I submit now in this presence that among the members of the Senate who rank themselves as sound-money men, not one of them would vote for such a law as was proposed in that amendment. If there is such a Senator present it will afford me much pleasure to give him an Senator present it will afford me much pleasure to give him an

opportunity to assert the fact here and now.

And as to the word "parity," it is not parity that the soundmoney people want. They care nothing about maintaining the
parity between the metals. What they want is to maintain our
monetary system on a gold basis, and to keep and maintain gold
as the money and the only money of redemption and final pay-

ment. They are not willing that silver shall be restored to its old place beside gold unless the gold-using nations shall agree to it. This is a subterfuge; or, if the language be more elegant, I will borrow words from the Democratic national platform, and say it is a "cowardly makeshift," intended to deceive the people. They tell us that parity can only be maintained by preserving the equal market value of the metals, as we would keep the market prices of wheat and corn the same continuously and forever. They say supply and demand regulates such matters, and that inasmuch as supply and demand are constantly varying it will be impossible to maintain the parity without legislation, and this legislation must be international. They also tell us that value can not be legislated into anything. Their champions say that gold has a certain fixed value given by the Great Creator, who intended that it should be used for money; that it was created for that special purpose; that it is the only article that was so made; but even though none but the Creator can put intrinsic value to any definite amount in any given article, still an international agreement, they insist, will add 100 per cent of intrinsic value to silver.

All this, however, is to maintain the parity. That is to say, all the parity work is to be done on silver. Gold is full of permanent intrinsic value; it was so ordained by almighty power, and there is no need to meddle with the gold basis. It is silver that must be doctored and made over by an agreement among the money changers of foreign nations. Why do they not do as our fathers did sixty years ago—change the gold coins to the silver basis?

It would seem that a great many people have not yet learned.

SILVER THE BASIC MONEY OF THE WORLD TILL LATELY.

It would seem that a great many people have not yet learned that silver was the basic money of the world ever since the dawn of history until 1873, with the exception of Great Britzin, that changed her basis in 1816, and Portugal later. I am not quite sure but that for a brief period Rome maintained a monetary system based on gold alone. But speaking generally, silver has been the world's basic money until within twenty-five years last past, and now there is more silver than gold used for money among the nations.

I submit a table showing the amount of gold and silver estimated to have been in use in 1891, and there has been but little

Total gold and eliver used as money of the world, in form of coin and bullion, and amount per capita.

Mr. Leech, Director of the United States Mint, prepared for the Congressional Committee on Coinage a series of tables showing the estimated and officially reported amounts of gold, silver, and paper in circulation as money in different parts of the world. The following table comprises the portions of the statement in reference to gold and silver:

SPECIE.

	SFECIE.		
	Country.	Gold.	Silver.
United St	ates	. \$702,018,869	\$482,071,346
United Ki	ngdom		100,000,000
France			700, 000, 000
			145, 000, 000
Belgium		65,000,000	55,000,000
			00,000,000
Switzerla	ad		15,000,000
Greece			4,000,000
Spain		100,000,000	125,000,000
Portugal .		40,000,000	10,000,000
Austria-H	lungary	40,000,000	90,000,000
Netherlan	nds	25,000,000	65,000,000
Scandinav	vian Union	32,000,000	10,000,000
			60,000,000
			45,000,000
Australia	*****************		7,000,000
			15,000,000
			80,000,000
	merica		500,000
	erica		25,000,000
			30,000,000
			900, 000, 000
			700, 000, 000
	ts		100,000,000
	**********************************	16,000,000	5,000,000
	iti, etc		2,000,000
Tota	als	3,727,018,869	3, 820, 571, 346
Europe	POPULATION OF THE	EARTH.	357, 379, 000
			163, 953, 000
America			
Australia			0 000 000
	slands	***********	7, 420, 000
Occullic B	NIMULO		80,400

Total

The total gold of the world in coin and bullion used as money amounts to \$2.51 per capita.

The total silver of the world in coin and bullion used as money amounts to \$2.58 per capita.

The total gold and silver of the world in coin and bullion used as money amounts to \$5.09 per capita.

If the whole world is reduced to a gold basis, \$2.51 per capita will be our money of redemption, instead of \$5.09 under a bimetallic system.

If proof be demanded that the friends of so-called sound money

are really gold monometallists, it need only be pointed out that ever since the change of base in 1873 the Government has treated gold as the only legal coin the country. It has not paid any other coin on Government obligations and does not do so now. With \$140,000,000 worth of uncovered silver coin and bullion in the Treasury in 1894 the Secretary purchased gold to meet even cur-rent expenses of the Government; and that officer during all the rent expenses of the Government; and that officer during all the years since 1878 has persistently paid only gold coin in redemption of Treasury notes. It is not denied anywhere that all our national obligations are payable in silver coin as well as in gold coin, yet the Treasury pays only gold, except in cases where silver is requested. And in the last bond transaction the syndicate informed the President, and that officer transmitted the intelligence to Congress, that in case the bonds were made payable in gold they would be worth a trifle more to the purchasers and that trifle would be paid. Congress not authorizing such a stipulation, the bonds were issued, as all others have been issued, payable in coin. This is a conclusive acknowledgment on all sides, and the syndicate concedes that these bonds are payable in silver able in coin. This is a conclusive acknowledgment on all sides, and the syndicate concedes that these bonds are payable in silver and gold, both or either.

MARKET VALUE OF BULLION DOES NOT GOVERN MONEY VALUE OF COIN. The proposition that the market value of bullion governs the money value of the coin is not tenable. There is no law in any money value of the coin is not tenable. There is no law in any country, as far as I know, certainly not in the United States, that has any reference to such a rule. It is not incorporated in any law. Congress has no power to regulate the value of bullion, and it has never undertaken to do so. Its authority extends only to regulating the value of money. The language of the Constitution is: "Congress shall have power to 'coin' money and regulate the value thereof." The word "coin" in this place is a verb—to coin money, to make or manufacture money. The thing which Congress may regulate is the value of the money that it coins. It is value that is to be regulated, but not the value of bullion. Nor is it the bullion value of coins. It is the money value of the coins, or the amount of money which is represented by the coins. Briefly, Congress is authorized to prepare coins to represent value, and every coin so made shall have its value expressed by act of Congress. act of Congress

Congress never enacted that 371‡ grains of silver shall be worth a dollar or that 232.2 grains of gold shall be worth \$10. Nor has Congress ever said what ratio shall exist between the values of gold bullion and silver bullion. Section 11 of the act of 1792, before quoted, says:

The proportional value of gold to silver, in all coins which shall by law be arrent as money within the United States, shall be as 15 to 1, according to uantity in weight, etc.

It is only the metal in coin that the law applies to. The pure gold in \$15 worth of gold coins shall be of the same weight as the pure silver in one silver dollar coin, and 1 pound of gold in coins shall be of equal value as money with 15 pounds of silver in coins. To quote the law:

To quote the law:

Every 15 pounds weight of pure silver shall be of equal value in all payments with I pound weight of pure gold, and so in proportion as to any greater or less quantities of the respective metals.

It is only the metal used in coins that the law makes any provision for. It is declared that in preparing coins to be used as money, and making payments with these coins, the value of gold shall be taken to be fifteen times as much as that of silver, in quantities by weight. But the value of the coins, which Congress is authorized to regulate, is their money value, Coins can have no value in that form and for that use, except what the law imparts to them.

Recurring to the standard value of our coin when the refunding act of July 14, 1870, was passed, our lawful tender coins consisted of the silver dollar, the eagle, the half eagle, and the quarter eagle, and their values were:

	Value.
GOLD COIN. Eagle	\$10,00 5,00 2,50
Dollar	1.00
The weight of the coins was (standard nine-tenths fine):	
	Weight.
Eagle	Grains. 258 129 04)
Dollar	4124

It is perfectly clear that whatever we may understand to be the value of a dollar—and I shall discuss that later—Congress, acting under the plenary and unquestioned authority of the Constitution, enacted that a silver coin made of a certain form and dimensions, enacted that a silver coin made or a certain form and dimensions, with certain devices and letters and words on it, shall, for all money purposes, be of the value of a dollar; that gold coins of certain forms and dimensions, with certain devices and lettering, should be of the value of ten dollars, five dollars, and two and a half dollars, as the case may be; and the coins whose weights and values I have just given were the coin of the country and the state of the country and the time the bonds were authorized. The first week standard the time the bonds were authorized. and values I have just given were the coin of the country and the value at the time the bonds were authorized. The "present standard value" of the eagle was ten dollars; that of the half eagle, five dollars; that of the quarter eagle, two and a half dollars, and that of the dollar piece, one dollar. Our promise was to pay in coin of the value of coin at that time. No matter when the bonds should be issued or when they should fall due, they were redeemable in coin of the value of our coin at the time the act was passed. We did not agree to pay in bullion, nor did we promise to pay in coin at its bullion value, when the bonds should be payable. The contract is not ambiguous; its terms are brief and plain. Its words are, "redeemable in coin of the present standard value."

And the reason for this plainness is apparent. If we had agreed to pay in any other way there would not have been certainty as to what would be made.

would be the value of our payment when it should be made. We might have to pay more, or our creditors might have to accept less in money value than our coin possessed at the time the law was approved. In one case we might lose; in the other our creditors might lose. But the contract was not left open to doubt. Everybody knew the value of our coins at that time, for it was expected in the lose and was mostled on their force. pressed in dollars and was marked on their faces. There could then be no mistaking the meaning of the promise. We authorized the issuance and sale of eighteen hundred million dollars in bonds for the purpose of refunding the national debt, and stipulated in the act that when the bonds should be issued they should express on their face that they were redeemable in coin of the value of our

coin at the time the act was passed.

SUPPOSE GOLD LEAVES THE COUNTRY, WHAT OF IT?

It is said by some timid persons that if we should readopt the policy of paying our obligations in silver and gold the gold coin will all leave the country. Well, suppose it does. What of it? Who will be injured by the movement? The farmers? They have no gold. One year's crop of Kansas corn is worth more than all the gold produced in our mines during the same year. The mechanics? The wage earners? The plain people? They have no gold. They receive all their dues in paper, and they constitute 90 per cent of the people. Who has the gold that is going to leave and where is it? The Government has, say, \$50,000,000; the national banks (October 3, 1893) \$182,342,948; State banks, private banks, loan and trust companies, whose aggregate capital (about October 1, 1893) was \$406,000,000—say they have \$100,000,000, which is about the same proportion to capital' as that held by national banks. This gives us a total of about as that held by national banks. This gives us a total of about \$382,000,000 belonging to banks, which they hold as reserves. The rest of whatever gold is in the country is in State and municipal

treasuries and in the hands of a few people.

Suppose all this goes out of the country, what will replace it?

Will bankers sell their gold? And what will they get in exchange for it? They will not part with gold because they are obliged to do so. There is no compulsion about it. If they let it go at all it will be because they can gain a profit by the exchange, and they will not sell it without receiving its full value in return. And they must maintain their reserves, which can be done only with coin or other lawful money. If they sell their gold coin reserves because gold coin is at a premium above silver coin (and they would not dispose of it for any other reason), they would receive as many dollars in silver as they sell in gold, and with them as much more in silver or other money or property as would be equal to the premium, hence neither they nor the country will

lose anything.

If it be said that the exodus of gold would contract the currency, that can not amount to much, because there is but little gold in circulation. Not more than 1 per cent of the business done over bank counters is done with gold coin.

But the vacuum would soon be filled with coin made of silver

But the vacuum would soon be filled with coin made of silver bullion now belonging to the Government and not covered by certificates or notes outstanding.

Free coinage of silver would probably have the effect of advancing the market value of silver bullion. But say it does not. Let the price remain where it is, and for argument sake we will put it at 32 to 1 of gold. That would leave us with the 50-cent dollars so much talked about. Our bankers, wanting to profit by the operation of the new law, exchange their \$382,000,000 of gold for \$382,000,000 in silver and \$382,000,000 worth of other property. That would preserve the equilibrium, or the "parity," if our soundmoney friends do not object to this use of the word in that connection. Where is the loss? There is no need of anxiety lest bankers will rush into the bullion exchange business without asbankers will rush into the bullion exchange business without assurance of gain. They are not doing business in order that others may profit by their blunders. If they are philanthropists, it is not during business hours.

AFTER COIN THEN PAPER.

Mr. President, I now approach a proposition which is to me more interesting than the field which I have just passed over, because, if for no other reason, it has not been so much discussed. I believe that as soon as Congress shall have provided for the ac-

I believe that as soon as Congress shall have provided for the accumulation of coin enough to pay all our national obligations which are payable in coin, provision should be made for the establishment of a permanent paper currency that will eventually take the place of all other kinds of money except for small transactions. I do not wish to be misunderstood in making this proposition. I believe in the coinage of both gold and silver, but not as an original proposition. If we were just setting out to establish a new monetary system, having had no experience with metallic coins, I should not favor the use of any material that is very costly, any material which speculators and money changers could corner and thus force oppressive financial legislation upon the people. I would choose some material out of which to make our people. I would choose some material out of which to make our coins that had of itself very little value, but suitable in every way for the purpose, so that a small quantity of it, as much as would be used in one piece or one coin, to represent \$1, or \$5, or \$10, would be so small that there would be no inducement to speculate in it.

I believe in the coinage of gold and silver, first, because our people have long been accustomed to it. The people of the entire world have been accustomed to it. It is part of the financial policy of all civilized and enlightened men everywhere, descended

policy of all civilized and enlightened men everywhere, descended to us from the far distant past.

I favor the coinage of gold and silver for another reason. At this time gold alone is being coined, and there is not one hundredth part enough of gold and silver combined to perform the monetary functions required among the people. I favor the restoration of the coinage of silver for still another reason, that we may, as soon as possible, out of our own mines or mines in other portions of the world secure the coin we need for the purpose of paying our coin obligations. Having all that done, then comes the proposition I

have announced.

I regard a correct system of money as among the most impor-tant agencies in human development. Commerce has uniformly opened the way for advancing civilization, and money in one form opened the way for advancing civilization, and money in one form or another has been the handmaid of trade. Fairs afforded opportunities during the Dark Ages for people to exchange property by barter; but ships and railways and banks and telegraphs have brought a new citizenship to the nations and have established a new kingdom on the earth. Rapid communication, ready exchange, quick returns, and the massing of capital make new agencies of effort to be among the necessary accompaniments of these new conditions. The Phomicians and the Romans propelled their ships with cares now we drive great ocean steamers across their ships with oars; now we drive great ocean steamers across the Atlantic in five days. The Britons and the Anglo-Saxons, the Normans and the Gauls carried their produce on the backs of animals or in rude carts on heavy roads; but the modern railway train has reached a speed of 80 miles an hour. All the machinery of life and labor has been changed and the world seems to have been created anew.

We have made some progress in the development of devices to be used as money, and in our experience we have produced some wonderful implements in exchange. Banks, as places of deposit; banks as places to buy and sell money—places to exchange exchange, if the expression is allowable, are highly wrought contrivances to aid commerce, and with but little improvement in their constitution, object, and management, they could be made mighty instruments of power for good in the best direction of human endeavor. But banks, like all other public agencies, being intended for the good of the people at large, ought to be conducted as public institutions. The money they use ought to be of only one kind, and that created and supplied by the General of only one kind, and that created and supplied by the General Government. No private concern of any character ought to permitted to issue its notes to be used as money, and interest ought to be abolished. All the money required in a legitimate transaction of the people's business ought to be supplied by the Government through its own agents at a charge sufficient to cover only the operating expenses of the business.

Holding these opinions, I believe that among the things re-

quired of us, and what, in self-defense, we must sooner or later do is, after providing for the accumulation of coin enough to meet our coin obligations, to reconstruct our monetary system so that the money function shall be discharged in a natural way.

USES AND FUNCTIONS OF MONEY.

Let us open the discussion by a consideration of the uses and functions of money.

Producers and consumers require some means of effecting their exchanges other than mere barter, which is the giving of one article of produce for another.

There must be vehicles, as wagons, cars, and ships, to move articles of property from place to place; and they frequently have to be taken long distances, as wheat from Kansas to England, tea from China to Illinois, coffee from Brazil to Massachusetts, cloth from South Carolina to Japan, beef from Chicago to London, etc. And there must be some means to convey values of property as well as means to transport it, for the merchant may not have just what his customer wants and must therefore give him something with which he can procure what he does want from some other merchant. Paul raises corn, Silas makes shoes, and Peter produces cloth. In order to exchange their surplus productions for other supplies that they need, they each sell of their surplus what they have to spare and buy what else they desire. The exchange is effected through Barnabas, the merchant, who buys the surplus corn and shoes and cloth from the persons who produce them and sells them to persons who wish to buy them, paying cash to the sellers and receiving cash from the buyers. This cash is money.

Exchanges of property many times have to be effected through merchants who live far apart. Money serves as an order from

the merchant who buys surplus products to the merchant who has the things that the producer wants. And because the second merchant does not know anything about the financial responsibility of the first merchant, so as to feel safe in accepting the order, it is necessary that the Government shall declare such orders to be money, exchangeable at their face value for any and all property that anybody has to sell. Then everybody understands that money is always good for its face in property that is

From these considerations it is evident that what people need money for is to assist them in the exchange of their surplus products. Now, in what do these surplus products consist? See what the farmers of our own country are doing. Put together their corn, their cotton, their wheat, oats, potatoes, hay, and the other crops they raise, with their fruits and vegetables and live stock, amounting in value to nearly four thousand million dollars amountly. Add to this nine thousand million dollars as the output of our manufacturing establishments for one year, and \$587,000,000, the value of our mineral products, a total of thirteen the wavel million dollars and were any accompanied to the state of the state thousand million dollars, and you approximate the worth of the property we are handling now, and we shall have to buy and sell more and more every year.

MONEY NECESSARY IN EXCHANGING SURPLUS PROPERTY.

Extending the thought somewhat, I quote a few sentences from an article over my name in a work entitled "Silver and gold," published last summer, as showing what money is needed for and why it is used:

"Money is necessary only because individual men and women produce more of some kinds of property and not as much of some other kinds as they need for their own use, and they desire to ex-change their surplus for what they require of the surplus of other

producers

And because the two factors-producer and consumer-live and work far apart, it is a great convenience to have home traders and merchants to collect the surplus from those who produced it and distribute it among those who wish to consume it. A very large number of the people are engaged in this work of collection and number of the people are engaged in this work of cohection and distribution as exporters, importers, carriers, commission men, brokers, bankers, merchants, salesmen, etc. This is commerce. It would, however, be an impossible thing for men to carry on the traffic of the world if they had no means of representing the value of property dealt in, and some means of transporting the values as well as for moving the commodities. Such means is found in what we call money and in certain forms of paper often used in place of money

"The amount of this surplus property which is being moved from place to place in order to take it from the persons who wish to sell it and get it to those that want to use it is beyond our comprehension, and the character and number of vehicles employed in transportation are too many for enumeration. It is officially stated that the property carried over American railroads and canals and on our river boats and coasting vessels is greater in tonnage and value than that of the combined foreign commerce of all the great

"It is to procure part of this enormous surplus that much of the labor of the world is performed. The greatest problem of life is to live, to procure the means of subsistence; and what of our needs

to live, to procure the means of subsistence; and what of our needs we can not supply from that which we ourselves produce we must supply out of what others have to spare. To effect these exchanges money is imperatively required."

The early use of the precious metals in commerce was as commodities, paid out by weight. In course of time it was found convenient to mark copper, silver, and gold in such manner as to indicate their weight. This being done officially, traders were saved the trouble in weighing for themselves. Long periods of trading finally established certain recognized relations of value among commodities, among themselves and with respect to the precious metals as well, and in time some of the nations began to

express values in coins. Copper was first used for this purpose, and the Chinese are credited with the first use of money as represented by coins. Silver was first used for coins in Greece. Gold coinage can not be definitely traced beyond the time of Julius Greener.

Metal coins do now pass by weight outside their own country. They are so used in every part of the civilized world. Coins are made of certain weights prescribed by law. The English "pound sterling" originated in the use of a pound of silver. Our silver dollar must contain 371½ grains of pure silver and the eagle must have 259 grains of standard gold.

But the use of the precious metals for money implies that they are the equivalent in value of all other property. That was once the general belief, and a great many people of more than average intelligence in other respects do now hold to that opinion. Men who hold to what is popularly known as the "sound-money" doctrine believe in the universal equivalency of gold, or they would

not regard it as the only safe material for coin.

But the doctrine was never true, and its falsity is painfully apparent in modern times. The annual production of the gold mines of the world is not worth as much, even at its mint value, as the corn and wheat crop of a single year in Kansas at the market price on the farm, and all the gold coin now in existence is not equal in its money value to that of the yearly surplus productions of American farmers.

The great disturber of values or prices was war, which was always in progress somewhere. It is well established that most of the great wars of antiquity were undertaken or prosecuted in order to procure the precious metals. Darius plundered the regions west of him and carried the treasure with him back to Persia. Afterwards Alexander plundered Persia and restored to Macedon the stolen wares. The Punic wars, covering nearly a hundred years, were waged on the part of Rome to get possession of the silver mines of Spain. And the wars, vandalism, brigandage, and piracy in modern times are much of the same character. The discovery of America by Columbus was the opening chapter in a series of the most barbaric and atrocious wars since history began. It is computed that the conquest of Mexico, Central and South America cost 30,000.000 lives and the extinction of a race, and all to get the gold and silver in their mines. Napoleon I, in the glamour of Pizarro and Cortez.

While all the world has been fighting for gold and silver, and while these two metals, with copper, have been used for coinage time out of mind, yet modern commerce is so vast and the necessary exchanges so enormous that all there is of the precious metals to be found outside the mines is not enough at their present valuation to supply one hundredth part of the money required in the transaction of the world's business. In the United States, in Great Britain, and in all the great nations, only about 1 per cent of the business is done with metallic money. And the proportion will grow less from year to year as business increases.

will grow less from year to year as business increases. In our own country we find the products of our farms, factories, and mines amounts to thirteen thousand million dollars a year, while our gold product amounts to only \$55,000,000, which bears a proportion to the other property of 1 to 370, which is as much as to say that \$1 in gold is equal to \$370 in other property; or, what is the same thing in another form, \$1 is enough to perform all the money functions required in exchanging \$370 worth of other property in addition to the payment of debts and taxes.

And it must be remembered that this thirteen thousand million

And it must be remembered that this thirteen thousand million dollars is only one-fifth part of the estimated value of all the property of the people of the United States, which in 1890 was put at sixty-five thousand million dollars. That gives us \$1,857 worth of property to be handled with \$1 in gold, and our debts and taxes

reach at least twenty-five thousand millions.

It must be evident to all persons, when the subject is presented to them, that such a system of finance can not be justly maintained. It makes the dollar too valuable and other property too cheap. No people could long prosper under an arrangement of that kind. Producers would become poor, while money owners would grow

So insufficient have the metals become in their capacity as money, that every nation on the globe is compelled to use substitutes of different kinds, as government paper and different forms of private credit. Not more than 1 per cent of the total business transactions of enlightened men are done with gold and silver. In our own country we have had banks from the second year of our national history. And now, with a 10 per cent tax on State banks, we have more than a thousand million dollars of paper money our greenbacks about \$346,000,000, Treasury notes about \$145,000,000, national-bank notes about \$200,000,000, and silver certificates about \$25,000,000. If gold were sufficient, or if gold and silver together were enough, why use anything else? And why did banks of issue always keep out three to five dollars in paper for \$1 in specie for redemption?

METALLIC MONEY WRONG IN PRINCIPLE.

But aside from the insufficiency of the metals, the custom of using metallic money is wrong in principle. It is unsatisfactory in practice, ruinous to the common interests, and unscientific. As a currency it is unstable, unsafe, unreliable. In time of public peril, like other cowards, it slinks away and hides. And when it is in use, like the pirate that it is, it demands tribute from every other form of property.

Why should we use any one article or form of merchandise for money, making it and it only a legal tender in payment of debts and as currency, passing from hand to hand in exchanges and in payment of taxes? Why select one article, give it a fictitious value, and measure all other values by that? Is it possible to assign one good and sufficient reason for such a one-sided policy? None but a gold broker could consistently undertake the task.

None but a gold broker could consistently undertake the task. I have shown that money is required for use in effecting exchanges of values of property—all property, not gold and silver only, but all property, including the precious metals; and that these exchanges affect an infinite variety of transactions every day and hour of our existence. Think of the ceaseless tide of commerce and of the numberless items of property constantly being moved from the people who produce them to the people who want to use them or consume them. All these things have a market value. And this is true of gold as well as of cotton and corn. Then why single out that metal, give it a legal value, and require all men to gauge their property by this measure? Why not use some suitable substance that of itself has no appreciable value, and let that represent the unit of value?

HOW TO ASCERTAIN THE UNIT OF VALUE.

But how shall we ascertain the unit of value? We need borrow no trouble on that account. The unit has been found: it has been in use many years, and is understood. It was legalized by Congress more than a hundred years ago and named a dollar. Not a coin, not a piece of metal, or of paper, but an ideal thing, an indefinable entity, a something attached to things by people who make them or use them—a thing called value, a quality, or rather a relation that may be represented by a tangible substance. A dollar may be represented by a coin of metal, a bit of paper, a shell, or a fish.

How is this unit of value ascertained? Let us see. With only one commodity used for money, and that commodity scarce and hard to procure, a few shrewd and daring men have always had control of it, demanding exorbitant rates of usury from persons whose necessities compelled them to borrow it or exchange for it. The use of metal money has always kept men and nations prostrate before the money changers, and while I speak 90 per cent of civilized men the world over are paying interest for the use of money that is redeemable in silver or gold. More than one-half the dwellings of our own people are occupied by renters, and a syndicate of stockbrokers have control of the public Treasury, holding at arm's length a nation of nearly 70,000,000 people supposed to be free, compelling them, at will, to mortgage their country for gold which the brokers only have to sell.

country for gold which the brokers only have to sell.

It is the scarcity and dearness of our basic money metal that has enabled gold speculators to charge rates of interest that transfer the property of the people from their hands into those of the money changers about once every generation. On the average, in our great cities 75 per cent of the people are without homes of their own and are paying a few other people for the right to live on the

earth.

If all that has been lost to the people of the world during the last twenty years by reason of the use of gold only as money could be stated in dollars the amount would bewilder the imagination. It is worse than war, pestilence, and famine. The use of metallic money has cost the people of the United States since our Government was established in 1789 two hundred thousand million dollars more than they have saved out of their earnings. This is demonstrated by placing at 6 per cent compound interest for one hundred years a sum of money equal to the assessed valuation of our taxable property in 1790 and compare the amount with our assessed property valuation in 1890.

Besides, the relative production of gold and the increase of coin falls rapidly behind the increase of population and the growth of commerce. This enhances the value of gold and diminishes the market value of all other property in like proportion; and this process must continue as long as the present monetary policy continues. It will be but a short time, comparatively, when the great bankers will have virtual control of all the business and own all the property of the people, through the increased value of gold, if this system is to be perpetuated. The only certain relief will come through the establishment of a system that will be just in its operation.

MONEY IS AN INVENTION.

It was in the development of commerce that money was invented. Money is an invention, the fruit of discovery, just as machines are invented in order to apply certain mechanical prin-

ciples which have been discovered. In the beginning of trade there ciples which have been discovered. In the beginning of trade there was no money. All exchanges of property were made for other property—article for article. It was early discovered that certain metals, because of their beauty in the pure state, and because of their fineness of substance, their indestructibility, and their susceptibility to high and brilliant polish, were peculiarly well adapted to use in ornamenting the person, the home, the temple, the palace, and all resorts of pleasure and passion. Early it became common to adorn public buildings with articles made of gold and silver. Temples of worship were, and still are, rich in golden ornaments, vases, statuary, and the like. These metals were articles of commerce exchanged for other things; and because of their peculiar properties and uses they were universally cause of their peculiar properties and uses they were universally sought. They were special objects of prey on the part of invading armies. It is a truth of history that—

In the search for gold whole races of people have been put to the sword, continents subjugated, religious and civilizations destroyed.

It is equally true that men and women of wealth and fashion have sacrificed honor and fame, even life itself, for the possession of the precions metals.

These considerations have made silver and gold objects greatly to be desired by all classes of people, and we find that in the earliest periods of history they were sought by traders as articles of merchandise. History, sacred and profane, is full of commercial transactions showing that gold and silver were always in demand for trade. Abraham "weighed" out 400 shekels of silver, "current money with the merchant," and Joseph was sold for "twenty pieces of silver."

And in that way the precious metals became money, "current money with the merchant." They came to have a commercial value, the same as other articles of merchandise; and because a small quantity of them by weight would exchange for much greater quantities by weight of other articles, and because goods had to be transported by caravans long distances between trading points, these metals, when they could be procured, served well as a sort of medium by means whereof trade in other things was always profitable.

In time rulers of nations undertook to regulate trade in the of the rulers of nations undertook to regulate trade in the precious metals by impressing on them certain marks to show officially their weight, so that in making exchanges for other property all parties might be apprised of the weight of the metal, and then they could put their own value on it as measured by values of other things. They were exchanged by weight in one form or other and their value in relation to other articles, and the value of other articles in relation to the metals, came to be more and more distinct and regular as commerce spread among the nations, until at length certain values were assigned by law to certain weights of the metals.

How men would act were they without any form of money and

without knowledge of money functions, should they set about to establish a money system, we can not tell. But we know what has been done in this direction by those who have come and gone before we came; and we are blindly, and at great loss, practicing day by day the things which, when studied and their principles applied in improved methods, will suggest to us machinery that will save money as well as labor.

But how shall we study and how shall we improve our present methods? The first step is to comprehend the principle involved in the proper use of money. The circulation of money is the exer-cise of a public function. The proper function of money is to serve a public use. A piece of money carries with it a commission from the people to aid them in effecting cash exchanges, to pay debts and taxes, to serve as orders from one person to another for property that is for sale, and as receipts for debts and dues paid. But money must represent what we call value, and value must be computed, estimated, and exchanged according to a system or arrangement of monetary units.

GOLD IS NOT MONEY.

I ask close attention of Senators who do me the honor to listen to the analysis I am about to make in searching for a unit of

In the first place, we must understand what is meant by the word "value." If I am asked what is the value of my horse and I answer, "One hundreddollars," and you agree to take him at that price, we say the bargain is made. But when you come to pay for him, this being a gold-basis country, you take your nicely adjusted balance and weigh out 4\{\frac{1}{2}}\) ounces of fine gold and tender that to me. I refuse to take the gold. I sold the horse for money, not for gold. It is a hundred dollars I want, not 4\{\frac{1}{2}}\) ounces or any other number of ounces of gold or of anything else. I do not need gold; have no use for it; give me money.

Then you offer me ten engles and I accept them at once. You explain to me that the law requires 283 grains of pure gold to be put into an eagle; that in ten eagles there are 2,320 grains of fine gold, which is equal to 4\{\{\frac{1}{2}}\}\) ounces. But I reply, "We do business with dollars, not with gold. Our standard is the dollar, not the

ounce or the pennyweight or the grain. To trade my horse for gold is barter; and how do I know what is the value of your gold with respect to the value of my horse or other property? The law fixes a certain value to gold when it is coined and stamped, but the value is given in dollars, not in measures of weight. Besides, how am I to know what is the real value of gold as a commodity so long as the Government coins all that comes to the mint at a cortain valuation, thus giving it a mint price and not a commodso long as the Government come an that comes to the mint at a certain valuation, thus giving it a mint price and not a commodity price? If I am to accept gold and not money for my property, then take away the protection which the law gives to gold and throw it on the open market to find its price level there, in fair competition with corn and pork and tobacco and other species of

competition with corn and pork and tobacco and other species of property. These coins you gave me may contain just as much fine gold as you weighed out in payment for the horse, but the gold is not money, while the coin is money, and it is money that I want." This simple illustration brings plainly into view the proposition that value and money are not equivalent terms. Whatever they mean, they do not mean the same thing. Money is readily definable, and its uses are easily understood. But value is indefinable. It may be said to be a relation which articles of property bear to one another as regards the extent or the intensity of demand for them. Things which are in demand in trade have what we call a market value, while things that are not in demand have no market. a market value, while things that are not in demand have no market value.

PRICES NOT FIXED BY PRODUCERS OF PROPERTY.

But the value of what is in demand is not what the producer or the seller may fix upon it. The shoemaker does not fix the value or the seller may fix upon it. The shoemaker does not fix the value of the shoes he makes, any more than the farmer fixes the price of his wheat or beef or cotton or corn. (For the purposes of this illustration, I use the words "value" and "price" as synonymous.) The price or market value of commodities is not determined by the will or desire or opinion of the person who produced them. The farmer can, at any time, tell you what he thinks he ought to get for his grain or stock, but he can never tell what he will get for it until he learns from the dealer what the market price is. Liverpool, England, is the great world's market for wheat, cotton, and wool, and the market prices for these articles the world over are fixed at that place, from whence dealers in all countries are are fixed at that place, from whence dealers in all countries are

informed daily.

The merchant does not regulate the prices of his goods; the manufacturer does not control the price of his wares. Prices are appropriately appropriately appropriately appropriately. determined by the relative valuation which exists among articles of property with respect to the demand for them, and the cost of supplying that demand largely governs the price. This relation is affected by a great many influences operating from and toward different directions. They are usually merged and harmonized at the great trade centure, and then, as property goes out to retail dealers who distribute it among the people, interest, freight, commission, insurance, profit, etc., add in different degrees to what was the original price at the collecting port.

Now, the unit of value is ascertained by a general comparison of property values. It is commonly asserted by sound-money

Now, the unit of value is ascertained by a general comparison of property values. It is commonly asserted by sound-money people that the value of property is measured by gold. But it is nothing of the kind. Repeal all coinage laws, and the honest-money delusion will soon become apparent even to the victims of these golden dreams. The thought is illustrated in the case of silver. During all the centuries while the nations in their laws put a certain price on silver for coinage purposes and coined all that came to the mints, the market value of silver bullion never fell below the mint price. Since 1873, when the coinage laws of all that came to the mints, the market value of silver bullon never fell below the mint price. Since 1873, when the coinage laws of the leading nations were repealed so far as the making of legal-tender silver coins is concerned, silver bullion has fallen in the market fully 50 per cent. But the silver coins still retain their money value. With a silver dollar one may purchase 2 bushels of 50-cent wheat; but the market price of as much fine silver bullion as is contained in the coin, is worth only the value of 1 bushel of

MEASURING VALUES BY COMPARISON

Then value is not measured by gold, but by the relation existing among all articles that are bought and sold and that are said to be worth something. We may make a comparison in this way: We will go out among traders and learn how things are valued in the market places when we measure them by one another and not by dollars. But, instead of comparing all the articles of trade, the subject can be illustrated as well by a few comparisons as by many thousands. Let us take, say, eleven articles of property, and measure their values by the values of one another, as follows:

One bushel wheat equals ten pounds cotton; one pound cotton

One bushel wheat equals ten pounds cotton; one pound cotton equals five pounds salt; one ton salt equals one horse; two horses equal one piano; one pair men's shoes equal thirty pounds cotton; fifteen bushels corn equal ten bushels wheat; five pigs equal twenty five pounds cotton; ton; fitteen busnels corn equal ten busnels wheat; five pigs equal twenty-five pounds cotton; two sheep equal ten pigs; eight sheep equal one suit men's clothes; five pounds salt equal one pound pig iron; sixteen sheep equal one cow; five cows equal one pound gold; one spade equals one hundred pounds salt; fifty spades equal one wagon; one cow equals one dress pattern; twenty cows equal one carriage; seven hundred pounds pig iron equal one dress suit; two pounds gold equal five bicycles, and so on, in-

definitely.

Now, can we find any one article among the number we have compared whose value, when taken singly, or when multiplied or divided, will serve as a common measure of the values of all the divided, will serve as a common measure of the values of all the rest? In our school days we learned how to find the greatest common divisor of certain given numbers. Let us find, if we can, a common divisor of these values. We will take the value of a bushel of wheat as a divisor and try that. We find, to begin with, that 1 bushel of wheat is worth 10 pounds of cotton, and that the values of all the other articles mentioned have such relation to one another that we can easily trace the connections from this start-

It appears that the value of horses, pianos, clothing, sheep, cows, gold, wagons, dress patterns, carriages, and bicycles can be measured by the value of a bushel of wheat when it is multiplied; and that the value of cotton, salt, pigs, pig iron, and corn can be measured by the same standard when it is divided. When put in practical form the table would be something like

One pound cotton equals one-tenth bushel wheat; one pound salt equals one one-hundredth bushel wheat; one pound pig iron equals five one-hundredths bushel wheat; one horse equals two wheat; one bushels wheat; one piano equals four hundred bushels wheat; one bushel corn equals sixty-six one-hundredths bushel wheat; one pair men's shoes equals three bushels wheat; one pig equals fifty one-hundredths bushel wheat; one sheep equals two and fifty one-hundredths bushels wheat; one sneep equals forty bushels wheat; one spade equals one bushel wheat; one wagon equals fifty bushels wheat; one carriage equals eight hundred bushels wheat; one bicycle equals eighty bushels wheat; one pound gold equals two hundred bushels wheat.

With this standard, we must multiply it if we would purchase horse a priery of chocs a suit of election a sheep a goar.

a horse, a piano, a pair of shoes, a suit of clothes, a sheep, a cow, a wagon, a carriage, a bicycle, or a pound of gold; and we must divide the standard if we would buy a pound of cotton, or of salt, or of pig iron, or a pig, or a bushel of corn.

But, while we have found a standard to estimate values with,

we have not ascertained the value of the standard, only as it is measured by values of other articles in the market.

It would not be convenient in practice to use wheat for the

standard, for, even if it were not too bulky and too heavy and too inconvenient in every way, there is not enough wheat produced to use it for money. Besides, the value of wheat may not always be the same. We can, however, easily get rid of this difficulty. After we have agreed on the value of a standard measure, we may use that value as a common measure, and give it (the value) a name to be regarded as the unit; and after having become accustomed to the name, we may estimate the values of all our property of every description, including the precious metals, by that standard unit, though its value be purely imaginary and indefinable. In France the value of the unit is named "franc": in Germany the name "mark" is used; in the United States we use the name "dollar."

Taking our own case as an example, we call a certain coin of

metal or a piece of printed paper money a dollar; but it is not because of the value of the material in the particular piece of metal or paper, for their individual values are not the same. But both of them alike represent a certain well-understood value in things that are bought and sold among men, and it is that value that we call a dollar. The bit of paper has no value; that is to say, its value as a separate slip of paper is so trifling as to be not worth reckoning among values. Yet we willingly take it in exchange for a dollar's worth of property of any kind we have to sell; we accept it in payment for labor, in settlement of a debt, and we procure it when we want money to pay our taxes with. We always a property of any kind that is for sele for it always procure a dollars' worth of anything that is for sale for it.

MONEY IS NOT VALUE; IT REPRESENTS VALUE.

Value, then, is something that relates to the desire of men to possess, use, or enjoy property, and after we have conceived the idea of value, we find that it applies to all property alike, though in varying degrees. But there is no value in money, though there is value or worth in everything else that men trade in, and it is the value in other things that money is intended to represent. Money is not value, it does not possess value; it only represents

Now, going back to our unit-the value of a bushel of wheat; for, remember, it is the value of the wheat, and not the wheat itself, that is the unit. If we give the unit of value a name, and then prepare a device to represent the value, we have securely taken the first step in our journey toward a natural and just

system of money.

Let us agree to accept the word now in use which expresses the

Let us agree to accept the word now in use which expresses the

understand what a dollar means. We can not define its value any more than we can trace the Arctic circle by a line on the earth; but we perceive a certain value or worth relation among the multitudinous articles of property dealt in by men, and we can easily comprehend that there must be, in the nature of things, a unit from which we may ascend or descend in computing values. Again, I ask it to be remembered that the value of our property is not estimated and measured by its relation to gold or to any other one article of merchandise. It is the relation that its worth bears

to the worth of all other property, including the precious metals.

We do not need to determine the value of the unit, for if we can agree upon some word, term, or expression that may be used to represent that value, we have found a common standard that all men can easily understand, one that is in every way convenient, a unit found by comparing the values of commodities when meas ured by one another.

Let us christen and baptize the unit, and we have a standard rever. We will name it "Dollar," and call its one-hundredth part a cent, and we have a simple standard of value by which we can express any and all values in dollars and cents.

ADVANTAGES OF A PERFECT PAPER-MONEY SYSTEM.

Among the advantages of this system of money may be men-

First. It would be just to all the people alike in its use. It would be the only money of the country, except coins that would better serve the purposes of small transactions, and would be full legal tender everywhere, thus saving to the people everything that is now lost by reason of using a small amount of metal coin as the

only legal-tender money.

Mr. CHANDLER. If the Senator will allow me, I ask whether before he finishes he is going to tell us how much of this ideal money of his he would have in circulation at any given time?

Mr. PEFFER. If the Senator will wait a few moments I shall

be very much pleased to answer his question.

Mr. CHANDLER. Very well.

Mr. PEFFER. Second. It would do away with usury, for it would develop a system of public banking through which money

would be circulated at cost of the business.

Third. It would reduce rents to a reasonable level, so that common people could procure and hold their homes.

Fourth. It would bring about a simpler, a juster, and more natural system of taxation, for (a) it would teach the people that personal property—the things which men and women produce by personal property—the things which men and women produce by their labor—ought not to be taxed: and (b) this would lead to the taxation of the rental value of lands, without regard to improve-ments, which would afford sufficient public revenue and leave the people free to work and earn money for themselves and not for

Fifth. It would terminate the rule of the money power. The quantity of paper required for all the money needed by the people from year to year would be too small and the profit on its manufrom year to year would be too small and the pront on its manufacture too little to tempt any speculator to corner the paper market. And the rate of interest that could be procured for the use of private money would not justify any person on his own individual account to engage in the business of money lending. This could be done only in cases of enormous aggregations of wealth, for it would have to be done in competition with Government banking, through which charges for the use of borrowed money would be only what would defray expenses of doing the

It is not my purpose at this time to discuss these suggested advantages. That will be left for a and taxation are being considered. That will be left for another occasion when banking

CONCLUSION.

I have to add but a single thought as it was expressed in the conclusion of a speech I had the honor to deliver in this Chamber on

the 12th day of May, 1892.
"Mr. President, standing as we do in the evening of the most fruitful century of human progress, looking backward over achievements grand in their scope, astounding in their numbers, and be-wildering in their effects, discovery, invention, development in all departments of effort, change and improvement everywhere, and looking forward toward the dawn of a higher and broader civilization, with fresh discoveries of genius and nobler reaches of mind, when we shall have happier conditions, with larger liberty, purer pleasures, and the enjoyment of more abundant leisure, strange it is that we are just beginning to study one of the most

subtle and cunning agencies of human activity.

"How strange that this should be true; that while we have changed our methods in all departments of industry, and are now searching for new and better ways along every avenue of growth, we hold with an almost desperate grip to a money system that descended to us from the barbarism of the past. The time is at hand when we need improvement in our methods of providing

and distributing this most convenient repository of values. The things which are bound up in the one word "money" are an innumerable host that no man can number, involving endless development of mind and thought and energy, perpetual progress and growth. Like the rod of Moses, money brings forth water from nature's rock. As healthy blood imparts vigor and strength to the human body, so money in active circulation quickens the pulses of trade, encourages the toiling poor, gives employment to willing heads and bring prescripts and percent of the rocks."

hands, and brings prosperity and peace to the people."

In answer to the Senator from New Hampshire, I will now say it would be, I think, not only impracticable but imprudent for me or for anyone to undertake to determine in advance what particular quantity of money would be required to be used by the people. I have thought it all out in my own mind. The first thing is to establish the system, to get rid of this idea of barter, of using for all exchanges one or two articles that a few men can control, a few articles which are very scarce and difficult to pro-cure, and are very valuable when procured on account of the necessary labor performed in their manufacture—get rid of that idea, and establish the foundation principle upon which money ought to be based and upon which it must be based in time. In self-defense the people can not afford this spoliation that is being practiced upon them from day to day, whereby they are losing their homes now more rapidly than was ever known before. I say to the Senator that I do not pretend to forecast what would be the amount of money required. I am satisfied that the business interests of the people, the common sense of the people, would determine for them what amount of money ought to be in circu-

Mr. CHANDLER. Mr. President, it seems to me that the Sena-tor from Kansas has left off where he should have begun in the consideration and discussion of the proposition that there should be some substitute for gold and silver money. Gold and silver have been the instruments of money with which exchanges have been made since the dawn of creation. Now the Senator says they are unsatisfactory, that they result in oppressing mankind, that they should be dispensed with, that the dollar should not be based upon either gold or silver, but that a different dollar, a unit of value, should be made use of in the commercial exchanges of mankind to take its place, and the Senator does not tell us what

that dollar should be

The Senator certainly will not advocate—he refrains from advocating—the starting of the printing presses and the printing by the Government of unlimited quantities of paper money called the Government of untimited quantities of paper money called dollars to take the place of gold and silver; and yet I am unable to see where the Senator proposes to stop. He has at the end of a long speech on this subject brought us to the destruction of gold and silver money; he has taken away our faith in metal money and given us nothing in its place. The Senator has not spoken long enough, and I trust when he comes to discuss this subject again, as he gives us notice that he will do in connection with banking and traction he will be preserved to say what should banking and taxation, he will be prepared to say what should take the place of gold and silver as money and as the basis of paper money, and if that substitute is to be a paper dollar, that he will tell us how many of them we are to issue and how this issue is to be regulated and controlled.

Mr. President, it has been the dream of political economists that some substitute might be found for gold and silver money. some substitute might be found for gold and silver money. Amid all this denunciation, which we hear not only from Populists but from Democrats and Republicans, of slavery to the money metal, it seems to me we ought to have one ray of light thrown upon the question of what the substitute for the money of the fathers and the money of the centuries should be.

Mr. PEFFER. Mr. President, if the Senator from New Hampshire had honored me with his attention about an hour ago, and say half an hour before that and half an hour afterwards, as he has done for the last fifteen minutes, he would know more than

has done for the last fifteen minutes, he would know more than

he does now about the answer to the question he has asked me.

I entered upon the discussion of this subject, I will say to the
Senator from New Hampshire, with the proposition that there
was not gold and silver enough in the country to perform the
monetary functions required by the people, and that, therefore, I
favored the coinage of all the silver we could get at our mints in
addition to all the gold that is brought there, so as to procure coin
money by with which to pay our goin debts. After having discussed enough with which to pay our coin debts. After having discussed that phase of the subject, I stated distinctly that after we had procured coin enough for these purposes I thought Congress ought to devise some better monetary system; and I also stated what kind of a system I proposed, a permanent paper-money system, a system based on the values of all the property of the people—a coinage, if you please, of their lands, their houses, and all their lawful possessions; and this system to take the place of all metallic money except only for small business transactions.

The amount of money in circulation ought at all times to be what the people need in the transaction of their legitimate business.

Abolition of the Fee System in the United States Courts,

SPEECH

HON. CLAUDE A. SWANSON.

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, January 21, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. B. 4821) making appropriations to supply urgent deficiencies in the appropriations for the fiscal year ending June 30, 1896, and for prior years, and for other purposes—

Mr. SWANSON said:

Mr. CHAIRMAN: I have listened with much pleasure to the gentlemen who have preceded me. It brings good promise for the abolition of the present vicious fee system.

The people of no section are more interested in the abolition of the fee system by which United States officials are paid than are those whom I have the honor to represent upon this floor.

Few questions affect them more than this one. Few reforms are demanded more earnestly by them than this one.

I have proposed and submitted a bill which abolishes the fee system absolutely and entirely. It provides specific salaries for the United States district attorneys, marshals, clerks, and com-missioners. It does not leave a vestige of the fee system. It inaugurates a system better for the officers, better for the people,

and better for the Government.

It is better for the officers, because under this bill every United States officer will receive a definite and fixed salary. He knows when he accepts the office what his compensation will be. His salary will not be, as now, uncertain and dependent upon the work which might arise.

It will elevate and dignify all these positions. It will remove all these officers from the temptation of using their position and power, not for the good of the Government, but to increase their own pay and emolument. It will inspire the people with more confidence in all these officers, since they will no longer be liable to the accusations of inciting and continuing prosecutions simply for fees and self-enrichment. Thus the service would be elevated and the officials held in higher esteem and regard. The officers would be paid promptly, like other officials of the Government, and would not have to wait months, and sometimes years, before receiving their pay.

It would be better for the people, because they would no longer be harassed by petty and frivolous suits incited by mean spies and informers for the rewards and encouraged by officers and

witnesses for the fees and money made.

It would be a protection of the people against worry, annoyance, and frivolous prosecutions to which, in the past, they have been much subjected. It would save them the expense and trouble, which have become immense, of defending suits and prosecuble, which have become immense, of defending suits and prosecu-tions instituted for the sole purpose of making money and getting fees. The intense friction and harshness witnessed in the past in the administration of the law would disappear, and suits would be instituted and prosecuted for the sole purpose of the public good. The people would no longer feel that they were made by law sub-jects to be preyed upon by officials who received fees and riches in proportion to the people's ills and misfortunes. The people would have a security that they would be unmolested so long as they observed the substantial spirit and intention of the law. It would have a security that they would be unmolested so long as they observed the substantial spirit and intention of the law. It would result in great benefits and savings to the Government. The Government would no longer be scandalized by giving premiums and rewards so as to create an immense class of professional witnesses, spies, and informers, who have done much to bring the administration of the law into disgrace and disrepute. Having removed all temptation to incite or encourage prosecutions from its own officers, it would have the assurance that all its officials, as sworn officers, would be guided by their duty and the public good. It would destroy this system which makes the interests of the officer and of the Government distinct and separate. Having made the interest of the officer and of the Governrate. Having made the interest of the officer and of the Government identical, it would have the assurance that the law would be administered solely for the public good. It would result in a great saving of public

be administered solely for the public good. It would result in a great saving of public money.

Nothing shows more clearly the necessity for the great reforms contained in my bill than the records of the Department of Justice. The expense and cost which this fee system has brought upon the Government is immense and amazing. Last year United States marshals were paid \$1,339,640.51; United States commissioners were paid \$452,867.59; United States clerks were paid \$298,961.73; United States district attorneys were paid \$427,-126,67; United States jurors were paid \$932,170.37; United States

witnesses were paid \$1,713,162.17; thus making a total paid for these of \$5,163,928.03. For this vast expenditure the Government received back in money, as a return, only \$37,647.61, paid as compromise of criminal suits, and \$132,050.53 realized from fines and forfeitures from criminal suits, and from all civil suits during the year \$121,696.97. Thus the Government, for the immense expenditure of about \$5,164,000, received returns in money of less than \$255,000. This is an amazing difference between expenditures and returns

The pernicious effect of this fee system is further disclosed by the results of the suits instituted in the United States courts. The records of the courts disclose that last year 2,751 civil suits The records of the cours discuss that hast year 2,751 civil suits were terminated to which the United States was a party. Of these 1,691 were decided in favor of the United States and 1,060 were decided against the United States or dismissed or discontinued. This clearly shows that about 40 per cent of these civil suits should never have been instituted. Last year 25,949 criminal suits should never have been instituted. Last year 25,949 criminal suits were terminated in the United States courts, and out of these 10,521 were acquitted, dismissed, or discontinued. This shows that over 40 per cent of the indictments in the United States courts should not have been found or prosecuted. Many of those convicted were for petty and frivolous offenses, where the ends of justice would have been better answered by an acquittal than a conviction. They were convictions where no benefits could accomise conviction. They were convictions where no benefits could accrue to the Government.

This does not include the great number that the United States commissioners dismissed, nor those in which the grand jury re-fused to prefer indictments. If these were included, it would be safe to say that more than half the suits and prosecutions were such that should never have been brought. They would never have been instituted but for the vicious fee system. These frivolous and unjust suits and prosecutions last year cost the Government over \$2,000,000. The abolition of this system, as proposed by my bill, would save each year this vast amount of money to the poor, overtaxed, and overburdened people of this country. Besides, its saving to the people would be far greater than this. It would save them from the worry and annoyance, great expense, and losses entailed in the defense of these frivolous and unjust prosecutions.

mjust prosecutions.

My vision stretches far beyond the dry figures here disclosed, and I see a state of facts which excites my deepest sympathy and greatest indignation. I see that the property and the liberty of the best citizens are at the mercy of miserable wretches, who, for greed, become spies, informers, and professional witnesses. I see, through their perjury, innocent citizens dragged like criminals before the court, incarcerated in jail, and subjected to all manner of hardships and humiliations. I see poor, innocent 'children deprived of the protecting and providing hand of their father. I see good, loving wives immersed in tears and terrified in heart, as they see their husbands torn from them on account of some petty and frivalous charge. they see their husbands torn from them on account of some petty and frivolous charge. I see homes, once happy and prosperous, transferred into the abode of want and wretchedness because the occupants had to surrender their all to make defense in court against charges of which they were innocent and were acquited.

I see a reign of terror, doubt, apprehension, and suspicion among neighbors and communities. I see the infamous spies and informers holding high carnival. I see prosecutions inspired only for malice and hatred. I see the good, conscientious officer, an honor to his position and a credit to the Government, giving no encouragement to this ard hence well-ing for formed and little means. agement to this and hence making few fees and little money, while the grasping and greedy lend a willing ear, and make large fees and reap harvests. These dry figures bespeak all this. My own knowledge and experience, in addition to the court record, can bear evidence of the existence of such conditions. These con-

can bear evidence of the existence of such conditions. These conditions are but the natural results of this vicious fee system.

Destroy a tree and you destroy its fruits. Destroy this system and you will destroy all these, which are but its natural products. The Attorney-General, in his last report, earnestly recommends the abolition of this fee system and the substitution in its place of salaries. He says that arrests and prosecutions on frivolous charges and flimsy proofs, and the great expense incident thereto, will be prevented only when this system has been abolished, which makes the fees of commissioners, marshals, and clerks the source of their compensation, and thus presenting a constant inducement to unnecessary arrests and litigation. He says, besides the great annual expense entailed by the Government on account of these annual expense entailed by the Government on account of these unnecessary prosecutions, great annoyance and less of time are inflicted upon the parties and witnesses, which work both material and moral injury to the public, and that it has created a class of professional witnesses and informers, to the scandal of the administration of justice. Attorney-General Olney, in 1893, in making his report, says:

The system by which United States district attorneys, marshals, clerks, and ministioners are paid by fees has been so often and so emphatically commed, is so indefensible in principle, and works such gross injustice in ractice that its survival to this time is nothing less than a wonder and a re-

The President, in two messages to Congress, has earnestly and emphatically recommended its abolition.

Judge Brawley, of the United States district court of South Carolina, in a recent charge to the grand jury, vigorously and forcibly points out this evil. He said to the grand jury:

Your findings have demonstrated that nine-tenths of the prosecutions under section 222 have no merit in them; that they have not been inspired by the proper desire to advance the cause of justice, but by the greed of miserable wretches who have sought to make money out of them. Some of these men have already been brought to trial and convicted of perjury, and others doubtless will be. But this evil, which has reached the proportions of a gross public scandal, can not be eradicated by the punishment of a few obscure rascals. A new crop will undoubtedly spring up, unless some means can be devised for reaching the root of it. This lies in the fee system.

All who have given time and thought to this matter and have

All who have given time and thought to this matter and have investigated it are convinced that no substantial or permanent reform will accrue in this direction until the entire fee system is destroyed. When this is destroyed the infamous class of informers, spies, and professional witnesses will disappear. Arrests on frivolous charges and insufficient evidence will cease. The people frivolous charges and insufficient evidence will cease. The people will no longer be watched, harassed, and terrified by persons greedy for fees and rewards. The officers, all receiving fixed and stated salaries, will confine themselves, in the discharge of their duty, to what they conceive the public good alone requires. Quiet, peace, and satisfaction will again reign in places where there are now only fear, discord, and bitterness. These are great reforms, and improvements to be desired. I shall earnestly devote all my efforts so long as I have a seat in this House to the accomplishment of this great end. I know how the people whom I have the honor to represent have suffered from the prevalence of this vicious system. I shall fight it until it is destroyed and relief is brought to the prevalence of this victous system. I shall fight it until it is destroyed and relief is brought to the people and to the Government. The officers, the people, and the Government will all be greatly benefited when the last vestige of it is swept away. This bill, which I have proposed and offered, accomplishes all this. I hope that it may be the pleasure of this Congress to enact this bill into law and thus abolish all these evils. [Applause.]

Coin Redemption Fund-New Method to Break the "Endless Chain" and Relieve the United States Treasury.

SPEECH

HON. WM. ALDEN SMITH.

OF MICHIGAN.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 5, 1896.

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. SMITH of Michigan said:

Mr. SMITH of Michigan said:
Mr. SPEAKER: Upon the 20th of December, when the members of this House were planning their holiday vacation and while many of them were en route to their homes, the President sent a special message to Congress, advising the legislative department of the serious and threatening condition of the Government's credit and the general apprehension existing in financial circles, saying that the gold reserve, so recently replenished by a bond issue, amounting to \$160,000,000, was fast being depleted, and that for a single period—the three weeks preceding the assembling of Congress—\$16,000,000 had been withdrawn and the reserve was again below the required amount, standing at \$79,000,000. He concluded this special message by saying:

I ask at the hands of Congress such prompt aid as it alone has the power to give to prevent in time of fear and apprehension any sacrifice of the peoples' interests and the public funds or the impairment of our public credit.

This House remained in session under the wise and patriotic leadership of those who have won their spurs by faithfulness to leadership of those who have won their spurs by faithfulness to public duty, and who, by reason of their wisdom and experience, were able to meet the grave responsibility so suddenly thrust upon them in a manner to challenge and receive the approval of the business world, which tireless and unflagging fidelity favorably inaugurated the legislation for which the Republican party are responsible. The work of that historical week was not perfect. Legislation never is. The measures were creations of necessity Legislation never is. The measures were creations of necessity and only calculated to meet an emergency in national affairs, for which I am glad to say the Republican party were in no manner responsible. This can not be truthfully said now. From the moment of the organization of this House we are correspondents before the American people with the other Departments of the Government, and will be required to answer for any dereliction of duty. The first measure passed enabled the Secretary of the Treasury to avoid much of the severity of the bonding clause of the resumption act of 1875, lessening the period of the loan and the rate of interest and providing that such bonds as were necessary to issue should be offered to the people for popular subscription first. If bonds must be issued, was this not a desirable

measure?

My esteemed friend from California [Mr. Johnson], in his eloquent remarks upon Thursday, took occasion to pay tribute to the American people who had responded so generously to the needs of the Government and subscribed nearly \$600,000,000 for the pro-posed loan of one hundred million, saying that if he ever felt proud in his life it was when he had read in the morning journals of this unprecedented achievement, and with equal earnestness declared in the next breath that the pauperized condition of the people was woeful to contemplate. It is useless to deny that distress is widespread; that the people are hard pressed. But, Mr. Speaker, this immense volume of money to-day seeking investment in national securities from every State of the Union argues that public confidence is only necessary when it will find its way into remunerative channels of industry, when labor can be steadily and profitably employed, when gladness and prosperity shall again dwell in the cottage and darkness and gloom disappear.

The House bill was directed to that end, and, standing upon its merits, it has passed. Can as much be said of the irrelevant and untimely substitute? No matter what its merits, standing as an independent proposition, there has never been a moment during the entire discussion in both Houses when there was the slightest expectation that it could become law. The Presidential hostility would defeat it, and we are now met with the startling proposition that while discussion has been winding its endless trail around the Treasury over \$30,000,000 have escaped from its strong box and instead of the gold reserve remaining at \$79,000,000, as when the debate began, it is now \$43,000,000, and sinking lower every hour. And while the economic enlightenment was going on at this end of the avenue last week the Government was obliged to pledge itself for an additional 1 per cent on the loan obliged to pledge itself for an additional 1 per cent on the roam being made, which at the time of its maturity will cost the people over \$20,000,000. This would not be a burdensome sum, perhaps, if anything could be accomplished, but the discussion opened with the proposition that it was futile in this emergency. Many fervent prayers have been uttered, but the same lips acknowledge that the Republican party are now powerless to formulate and pass laws which do not meet the favor of the Executive.

The last national platform of the Republican party declared for bimetallism as an underlying party principle. position to retract from that position or avoid it. I have seen no dis-t. The Minneapolis position to retract from that position or avoid it. The Minneapolis platform did not point out the way, and with no power to execute, why should our disagreements be so taunting and sharp? Perhaps the aggregated wisdom duly accredited of our next national convention may blaze the way broad and straight whereby we may unitedly act. What loyal Republican is not willing to pause and give ear? Emergency legislation is all we can hope for now. The bond bill is such, and the revenue bill is such. The former is to lighten the burdens of the people; the latter is to legent the burdens of the Government now by provide such. The former is to lighten the burdens of the people; the latter is to lessen the burdens of the Government now by providing in the least onerous and burdensome manner for increasing its revenues about \$40,000,000 a year. Neither measure is perfect or wholly satisfactory. Both are, however, creditable to the time and place, and should be insisted upon by the originating body without modification or delay.

Legislators should minimize the difficulties in the way of useful

overnment, and when a serious situation confronts the people the best and most vigorous thought should be devoted to its solution. The remedy may not lie along fixed and well-recognized lines; still if the idea does not involve any dangerous or doubtful method and seems to touch one of the vital causes of busines apprehension and alarm, regularly constituted authority should be willing to measure its standard by the usual methods of adaptation and practicability.

The gold reserve of \$100,000,000 was, at a critical time in our

monetary affairs, considered necessary to the establishment of confidence among the people in the ability of the Government to refidence among the people in the ability of the Government to redeem its promises and establish resumption. For many years, while the revenues exceeded the expenses of the Government and its credit was never questioned, this fund was of little importance and its function not generally understood. When, however, the expenditures exceeded the income and the fund, so long maintained, is encroached upon and melts away by reason of the necessary demands made upon it, and speculators find in it a profitable means of influencing governmental action, its diminishing volume may well excite fear and apprehension. To stop this fear of possible repudiation and turn the eyes of the records from the volume may well excite fear and apprehension. To stop this fear of possible repudiation and turn the eyes of the people from the gold-reserve barometer to their usual business pursuits, to check, if possible, the cause and break the "endless chain" now forming such a convenient method of draining the Treasury of its gold, prompted me, in the discharge of public duty, to introduce a bill calculated to open the way whereby much of the difficulty under which the country is struggling can be arrested. It is very

simple, in that it changes but two words of the present national banking law. Section 5191 of the Revised Statutes provides

National banking associations shall have on hand at all times, in lawful money of the United States, an amount equal to at least 25 per cent of the aggregate amount of their deposits in reserve cities, and 15 per cent of their aggregate deposits in nonreserve cities—

thus creating a large cash fund, aggregating between \$250,000,000 and \$300,000,000, presumably for the partial protection of deposate

The bill which I had the honor to suggest strikes the words "lawful money" out of the section referred to and inserts in their place "United States notes (greenbacks) and Treasury notes," thus making it obligatory upon national banks to carry their lawful reserve in the demand notes of the Government, which have for several years so annoyed the National Treasury, obliging the Government to bond itself to the extent of \$260,000,000 of the Government % bond itself to the extent of \$260,000,000 of principal, and interest amounting ultimately to nearly as much, for the purpose of maintaining the gold reserve at the required amount. There are outstanding greenbacks and Treasury notes redeemable in gold aggregating \$496,681,016, of which the Treasury of the United States holds \$128,038,271. The national banks, on the 13th of December, 1895, held \$99,209,423 and \$31,440,000 in United States certificates of deposit for legal tender, the balance of such notes, \$237,993,322, being in circulation among the people.

It has for some time been a matter of considerable speculation It has for some time been a matter of considerable speculation how many of these notes have been lost and destroyed since their issuance. Of one thing we can be reasonably sure, that if the national banks were required to hold their entire lawful reserve in greenbacks and Treasury notes, it would be impossible for individuals or combinations of capital to obtain sufficient of them in excess of what would be lawfully required by the banks to give any annoyance to the Treasury Department. Will these demand notes not meet the banks' requirements as well as any other money? With the Treasury reserve standing unimpaired at \$100,000,000 in With the Treasury reserve standing unimpaired at \$100,000,000 in gold for the final redemption of the greenback and Treasury note, with the promise of the Government that it will redeem these notes in gold, whereto its faith and credit is unquestionably pledged, making these notes in every respect as good as Government bonds, I am unable to see any good reason why this class of money should not for the time being constitute the required reserve of national banks and the \$168,000,000 in gold now carried in such bank reserves liberated for purposes of exchange and general commercial

A careful examination of the reports made to the Comptroller A careful examination of the reports made to the Comptroller of the Currency December 13, 1855, discloses the fact that the national banks of the city of New York had on hand at the close of business that day as their "lawful money" reserve \$15,311,458 in gold coin, \$9,320,830 in gold Treasury certificates, \$27,195,000 in gold clearing-house certificates, and \$35,576,962 in legal-tender notes, while the national banks of Chicago had at the close of business the same day as their "lawful reserve" \$15,097,127 in reld day as their "lawful reserve" \$15,097,127 in and day as the control of gold coin, \$2,261,240 in gold Treasury certificates, and \$7,371,565 in legal-tender notes.

The national banks in the State of New York, exclusive of New York City, Albany, and Brooklyn, had on hand at the close of business on the same day in their lawful reserve \$4,088,002.86 in gold coin, \$569,890 in gold Treasury certificates, and \$2,828,014 in legal-tender notes.

The national banks of the city of Boston had on hand at the close of business the same day in lawful reserve \$6,966.870.86 in gold coin, \$1,974,850 in gold Treasury certificates, and \$5,127,395 in legal-tender notes, while the national banks of Massachusetts, exclusive of Boston, on the same day had in their lawful reserve \$3,323,269.73 in gold coin, \$237,700 in gold Treasury certificates, and \$2,000,347 in legal-tender notes.

The national banks of the city of Detroit at the close of business on the same day had on hand in lawful reserve \$1,072,982.50 in gold coin, \$12,500 in gold Treasury certificates, and \$693,777 in legal-tender notas, while the national banks of the State of Michigan, outside of Detroit, at the close of business on the same day had on hand in their lawful reserve \$1,565,064.47 in gold coin, \$48,930 in gold Treasury certificates, and \$643,584 in legal-tender notes.

notes.

The national banks of the city of Grand Rapids, my home, had on hand at the close of business the same day \$547,625.84 in gold coin and but \$72,100 in legal-tender notes.

The national banks of California, exclusive of San Francisco, had on hand at the close of business the same day in their lawful reserve \$1,743,496 in gold coin, \$13,870 in gold Treasury certificates, and \$163,540 in legal-tender notes, while the national banks in the city of San Francisco upon the same day had in their lawful reserve \$1,620,392.50 in gold coin and \$113,930 in legal-tender notes.

The national banks of the city of Milwaukee had at the close of

business the same day in awful reserve \$2,027,773.73 in gold coin, and \$719,345 in legal-tender notes.

The national banks of the city of St. Paul on the same day had in their lawful reserve \$2,198,118.41 in gold coin, \$20,300 in gold Treasury certificates, and \$181,417 in legal-tender notes.

I cite these instances for the purpose of showing the extent to which banks in different sections of the country avail themselves

which banks in different sections of the country avail themselves of greenbacks as part of their lawful reserve at present.

It will be noticed from an examination of these reports that Eastern banks carry by far the largest amount of legal-tender notes in their reserve, while Western and Southern banks have less greenbacks in their reserves and more gold.

The purpose of my bill is to distribute these legal-tender notes throughout the entire 3,706 national banks in the United States, after which I believe it will be impossible to gather sufficient of them outside of the reserves required to further deplete the National Treasury of the gold, necessitating new bond issues.

According to this report, the national banks of the United States had on hand, as a part of their lawful reserve, at the close of business December 13, 1895, \$168,244,430.97 in gold coin and coin certificates, \$99,209,423 in legal-tender notes, and \$31,440,000 in United States certificates of deposit for legal-tender notes. Is there any good reason why this large amount of gold should not be released for commercial purposes and greenbacks put in its place, especially if such course would obviate the necessity of periodically bonding the Government in time of peace? The large number of banks doing business in the United States and the immense amount of capital employed depend for their success upon licalther and the interest of the states can be unimered. amount of capital employed depend for their success upon health-ful business conditions. There is nearly \$700,000,000 represented in the capital stock of our national banks, owned by nearly \$00,000 shareholders, all of whom, it may be safely stated, are also interested in business other than that of banking.

There is every incentive to this large number of people to assist in restoring confidence in the business world. If the gold reserve

in restoring confidence in the business world. If the gold reserve is the bugaboo responsible for much of this concern, these shareholders should be willing to throw every safeguard around it. There are nearly two million depositors in these national banks whose daily vocation and prosperity depends in a great measure on the prosperity of the country. To restore confidence and give employment to this large army of contributors to national-bank prosperity should be a matter of the deepest solicitude upon their part. National banks are the creatures of the Federal Government. They depend for their existence upon national law, and as ment. They depend for their existence upon national law, and as they have been patriotic and public-spirited in the past, when the country was passing through great trials, so they should be ready and willing now when emergency requires the adoption of new we may

e may be asked, what will become of the gold now carried in We may be asked, what will become of the gold now carried in bank reserves when released? My answer is that the bank reserve required under the present law, amounting to \$406,271,726, now voluntarily amounts to \$571,476,854, according to the last annual report of the Comptroller of the Currency, leaving a wide latitude for the exercise of this right, if desired; or it could profitably be invested in the bonds of the Government now offered for sale, the possession of bonds enabling the bank in times of currency famine to augment its circulation as occasion may require, by depositing the bonds with the Government and issuing national bank iting the bonds with the Government and issuing national-bank

I have not considered the situation from the standpoint of the banker, but from the standpoint of the legislator, whose only solicitude is the welfare of the Government, representing, as he does, the entire people, and any plan which will relieve it from the necessity of issuing bonds to replenish the gold reserve will, in my judgment, correct one of the evils now existing and do much to reestablish confidence in the ability of the Government to meet its obligations. It is absolutely useless to talk of retiring the greenback from our monetary system, even though it may have cost the Government \$2,000,000,000, according to the figures of Edward Atkinson, or \$486,886,666 in principal and interest to maintain the reserve required for their redemption, as stated by Comptroller Eckels in his article in the Forum last year. The people do not favor their cancellation, and such a proposition finds no favor in the present Congress. My plan avoids the necessity for either expense or retirement, and has met with general favor.

In this connection, it may not be inappropriate for me to add that I do not believe our financial difficulties are the outgrowth of any unwise system upon the part of the Government, but that much of our present distress is due to inadequate revenues and increasing obligations. I would correct the one by imposing a sufficient duty upon imports to meet the expenses of the Government, and the other by an economic administration thereof. But as a temporary measure of relief I will, at the proper time, arge the adoption of the bill introduced by me for the immediate relief of the Treasury of the United States. It is my hope that such a plain, simple plan, having, as I believe, unquestioned efficacy, can, with patriotic cooperation, readily be incorporated into law. I have not considered the situation from the standpoint of the

Coin Redemption Fund.

REMARKS

HON. WINFIELD S. KERR. OF OHIO.

IN THE HOUSE OF REPRESENTATIVES.

Wednesday, February 5, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. KERR said:

Mr. SPEAKER: I do not rise with the expectation of adding anything new to this discussion, nor of saying nearly as well those things which have been said by gentlemen preceding me, but I do desire to emphasize a little the vote I shall cast against this bill. I am one of those who voted against the original proposition,

but not upon any ground important in the consideration of the present question. I am not blessed with prophetic vision, but I voted against the bond bill very largely in anticipation of the very situation with which we are now confronted. It was perfectly apparent that that bill, if it should pass the Senate, would meet the Presidential veto. It was sure, however, to meet death in the Senate. This being clear—at least it seemed so to me—I could see a reason why a Republican of the structure see the relations. no reason why a Republican of the strictest sect should commit himself to an unrepublican measure when even the possibility of justification by results was absolutely precluded by the situation. But this, Mr. Speaker, is ancient history; we are already written down in that chapter; let us address ourselves to the duty of the present hour and to an attempt to solve this most difficult and im-

The arguments of the free-coinage apostles never convinced my judgment and I never believed their prophecies. But if, like Agrippa when under the spell of Paul's logic and eloquence, I was almost persuaded, the recent extraordinary arguments of these gentlemen in the House would have rendered me very suspicious of a shibboleth which attempted to sustain itself by such uncommon illustrations and by such contradictory evidence.

The other day a Senator, speaking to this question, ended an elongated speech with a peroration in which he pictured the gathering of the commune. A heated brain and a disordered imagination may see the beginning of an attempt to destroy law and order, life and property, but no man will ever see a right vindicated nor a wrong redressed by such an instrumentality. No principle or movement can ever have my allegiance which is to be established or enforced by a commune. That kind of material makes very impressive perorations and ends speeches with great celat, but they do not light the dark places nor pour sunshine into the hearts and homes of the poor and oppressed.

Another gentlemen a member of this House and conveying a

Another gentleman, a member of this House and occupying a seat on this side, called Washington, and Jefferson, and Jackson, and Webster, and Lincoln from their graves to testify in favor of the free coinage of silver at the 16 to 1 ratio. The witnesses are unimpeachable, but he might as well have called Mark Antony or Inline Corner. If the witnesses are their three coinages are the silver at or Julius Cæsar. If the witnesses antedate twenty-five or thirty years you might as well call Confucius or Aristotle. At least it is proper to ask the gentleman when it was and where it was that Washington, Jefferson, Jackson, Webster, and Lincoln, upon a situation such as we are now confronted with, in an environment such as now surrounds us, expressed themselves as being in favor of the free and unlimited coinage of silver at the present ratio. From Washington to Lincoln the commercial value of gold and silver did not vary sufficiently from this coinage ratio to the most remotely suggest the difficulties with which we have now to deal.

remotely suggest the difficulties with which we have now to deal. Another gentleman laid before us an elaborate calculation by which to show that God Almighty had laid these metals in the broad bosom of mother earth at the ratio of 16 to 1, and that their production has been substantially at that ratio. I admire the energy and industry of an individual who would undertake a task of this kind. The calculation, so far as it went, was mathematical, and its only deficiency was his omission to take account of the metals yet in the ground. I would suggest that he revise his calculation by putting in that important factor, and if then the conclusion is not changed we shall all bow to the divine purpose.

But now the scene changes. The statistical and analytical member from Minnesota appears and with one mighty blow destroys not only the divine plan, but as well his collaborator from Colorado. He finds that for long stretches, during which time the parity was maintained, the production of silver averaged more than 30 ounces to 1 ounce of gold. Then the eloquent member from California charged the "mullein

stalk." His speech was very entertaining-a little weak, perhapa,

in argument, but making up in good round measure in rare and classic illustrations and references. He ran the gamut from the literature of the last patent-medicine circular to the destroyer of Jerusalem. From "I was well, I wanted to be better, I took this, and here I lie," to Titus Andronicus is a mighty leap, but he took it as bravely as his State, California, demands silver for everybody except herself.

After these days of discussion the atmosphere is heavy with mist and we are intoxicated with eloquence. The air is full of contending propositions, and figures fight like warriors on the battlements. Party lines are broken and internecine strife disturbs both sides of the Chamber. In this situation we meekly lay aside pride of

of the Chamber. In this situation we meekly lay aside pride of party and opinion, and humbly grope toward the light.

What is the question presented in this substitute? Its details are of no moment—its importance is in the fact that it precipitates the old, yet apparently the ever new, battle between sound and fiat money. The apparently wide difference between the soundamoney men, so called, and the silver men is upon questions of fact rather than upon principles. We all agree that there should be free coinage of both gold and silver if the latter metal was, by reason of its intrinsic or commercial value, on a parity with the former. We all agree that if merely stamping 412.5 grains of standard silver will make it the equal in value of 25.8 grains of standard gold, the Government ought to do it. We all agree that if by law silver can be yoked to gold and made its equal as money of final redemption that law should be passed.

Upon all these propositions the advocates of the free and unlim-

of final redemption that law should be passed.

Upon all these propositions the advocates of the free and unlimited coinage of silver have the affirmative, and upon them rests the burden of proof. Fixing the responsibility for the alleged demonstration of silver in the United States, or in the world, will not extricate us from the situation. The silver men have fixed that responsibility many times to their satisfaction, and yet they still

responsibility many times to their satisfaction, and yet they still cry for relief, and the gap between the metals is not closed.

The individual who fails to note a condition divests his argument of all its force. We must deal with these conditions. First, in the last twenty-two years silver as a commodity has lost substantially half its value, and, accord, within that period every great commercial nation has given silver a subordinate place in its mone-

On the one side it is alleged that the commercial value fell be-cause silver was demonstized or given this subordinate position, while on the other side it is contended that the depreciation in value rendered necessary its demonetization. In this connection it may be proper to notice one argument that is and must be put in the front of all others, because upon it all others must stand or fall, and that is that the United States alone can by opening her mints to the free coinage of silver restore it to its old place as primary money.

Let us see about that, and at the same time investigate the cause of the depreciation of silver. If we as one nation against the world can maintain silver on a parity with gold by its free coinage, then the action of one nation or a dozen other nations would not influence the matter in the nation thus undertaking the free coinage. That is, if a free-coinage system in the United States would hold silver up to a parity with gold, notwithstanding the fact that other nations did not so coin it, then the systems of the other countries would not be regarded as influential or important. If this be true, and the free-silver men must assume it, then the converse of the proposition is true, namely, that the demonetiza-tion of silver in one country would not affect its commercial value in a country which continued its unlimited coinage.

We know that all countries did not limit the coinage of silver at the same time. We then come to this point, that each country must have been influenced more by domestic reasons than by those operating from outside.

No one can claim with any reason that the change in the mone tary system of Great Britain in 1816 whereby silver became sub-sidiary money had any effect upon the value of silver, either for

money or commerce, because its value remained substantially unchanged for more than half a century thereafter.

The United States did not drop the silver dollar from the coinage in 1873 because silver had fallen in value, but on the contrary, because it was practically demonetized by reason of its superior value; because a cheaper dollar was in use and circulation. we have the two greatest commercial and monetary nations at times a half a century apart, and for wholly different reasons changing their monetary system regarding silver.

changing their monetary system regarding silver.

The commercial ratio and the money ratio between gold and silver did not vary a point in two hundred years, and the divergence began when the equilibrium between them was disturbed by the excessive production of silver. In 1870 in the United States the production of the precious metals was \$12,000,000 of silver to \$50,000,000 of gold, or a little more than four of gold to one of silver. In six years thereafter the production of the latter had so increased upon the former that they were substantially equal, and in twenty-two years thereafter there were nearly three of silver to one of gold produced.

The world's product shows nearly the same disproportion in the same time. In 1870 there was produced of gold \$129,000,000 and in silver \$55,000,000, a little more than two of gold to one of silver. From 1891 to 1894 there was about one and a half of silver to one of gold produced. The production exceeded the demand, and inevitably the price decreased.

Every nation, I think, except the United States, Great Britain, and Germany limited the coinage or the money quality of silver after it had been so reduced in value commercially as to make it, if not impossible, inexpedient to continue its free coinage.

The Latin Union, from which many arguments are drawn, was

compelled to limit the coinage or money quality of silver, and in 1885, in effect and by conventional arrangement between the powers composing the Union, did what we are now successfully doing, namely, holding a limited quantity of silver at par by redeeming it in money worth intrinsically and commercially its full face denomination.

face denomination.

But whatever may have caused the depreciation in the value of silver, whoever may be responsible for this decline, the condition confronts us and legislation must recognize that condition and be governed by it. We have two money metals and a law establishing a ratio between them. This ratio is 412.5 grains of standard silver to 25.8 grains of standard gold. When this ratio was fixed it was upon a calculation of the commercial value of the metals and purposed to make the quantity of metal in the unit of one equal in value to the quantity in the unit of the other. It is proper to suggest in this connection that whenever the ratio has been changed it has been done to correct a divergence between has been changed it has been done to correct a divergence between the coinage and commercial value. The necessity of having an agreement, as nearly as practicable, between the coinage and commercial ratio has always been recognized. The commercial ratio is now about 33 of silver to 1 of gold, or, in other words, the 412.5 grains of silver are now worth about 53 cents or substantially 48 cents less than its coinage value.

can we close up this gap by law? Free-silver men say, "Yes; if the Government will restore to silver its place and function as money the difference in value will disappear." Upon them rest the burden of proof. They have not produced the evidence—at least, they have not satisfied me—that the law, by merely stamping a thing, can give it value, unless the stamp impresses upon the thing a promise, and in such case it is the promise and not the stamp which gives the value. The choicest flowers of rhetoric have been gathered and fashioned into bouquets of beauty, the world has been explored for illustrations and references, and for days we have breathed the atmosphere of eloquence, yet through it all no word of proof has been submitted showing that this wide it all no word of proof has been submitted showing that this wide difference between the values of gold and silver can be closed by law. We might try the experiment were it not that if the experiment should fail the results would be so irretrievable and disas-

Suppose we should try free coinage of silver and the silver dollar continue to be depreciated as it is now, what would be the result? As soon as the silver money and the silver certificates issued thereon should be sufficient to do the business of the country we should be on a silver basis, and probably long before that amount was in circulation. Then what? Gold and every form of paper redeemable in gold would leave the circulation, and a most dangerous contraction of the currency would ensue. And then, instead of having more money, we should have less.

We might stand this for a time if thereby we should secure ultimate relief; but once on a silver basis—once disconnected from the

great commercial nations of the world—when shall we again march in the forefront of the majestic procession of the nations? Never. Commerce is the great promoter of civilization, and if we do not maintain ourselves as one of the great factors in commerce we shall not lead in civilization.

Can a plan be devised whereby a 52-cent dollar and a dollar of full value can be circulated side by side in the same country or monetary system? If so, the wisdom of man has not hit upon it. Every country affords an illustration of the operation of Gresham's law. Whenever there are two kinds of money, one cheaper than the other and the cheaper one is full legal tender, the cheap money always drives out of circulation the dearer money. It is the law of selfishness—that is, a man will always drives out of circulation the dearer money. money. It is the law of selfishness—that is, a man keep the better money when he can use a cheaper or poorer money to discharge the same debt or to secure the same advantage as

with the better.

The present system is the best that can be devised under existing conditions. I am in favor of the largest coinage of silver consistent with maintaining the parity between it and gold. As it is now, silver is a full legal tender for all debts, public and private. The certificates issued upon the coined dollars are receivable for customs and other public dues, thus affording a substantial equivalent to gold redemption. Added to this, the nation's faith is plighted to maintain the gold and silver money at a parity.

Under this system we keep in use and circulation, either in coined silver or certificates, nearly \$500,000,000, every dollar of

which is as good as any other dollar in the country; and all of

which is as good as any other dollar in the country; and all of this has been supplied since the act of 1873—more silver by \$350,-000,000 than was used before in all the years of the Republic.

The free coinage of silver would permit the owners of silver bullion to bring it to the mint and for every 58 cents' worth of silver receive a dollar. Why the Government purchase or turn into money the product of the mine owner and not the products of farms and factories? If by law silver can be doubled in value by the nation taking it, why not provide the same disposition for wheat at a dollar a bushel?

Sincerely believing that no man would be benefited by this act except the silver mine owner, and that it would entail distress, disaster, and ruin upon millions, I must vote against it.

Coin Redemption Fund.

SPEECH

OF

HON. CHARLES H. GROSVENOR,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, February 8, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the comredemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. GROSVENOR said:

Mr. Chairman: I had not intended, when the report of the Committee on Ways and Means was brought into the House recommending that the House disagree to the substitute of the Senate, to participate in the debate. All that could be said, all that it was necessary to say, in support of the position of the majority of the committee was said in the opening remarks by the distinguished chairman of that committee; and had the debate taken no wider range than the mere bill itself, and the mere relevant questions here, I should not have occupied any portion of the time of the committee. But there has been injected into this debate—and properly enough; I make no criticism in that respect—a large amount of discussion which has spread out over the whole domain of American politics, and which necessarily must have some effect upon the judgment of the people—our constituents at home. Therefore I propose to address myself for a few moments to the discussion of this question in its effect upon the constituency that I have the honor to represent.

Therefore I propose to address myself for a few moments to the discussion of this question in its effect upon the constituency that I have the honor to represent.

I listened to the cry of the distinguished and able gentleman from California [Mr. Johnson] with a great deal of interest, and it may be summarized, for the purpose of this debate, as being an appeal to Congress to do something for silver. "Give us something, do something, for the benefit of silver!" That is the underlying principle, the entire motive spring, of the speech of the distinguished gentleman. And when so able a man as he finds himself driven to a single appeal, an appeal for some special legislation that will be of some special benefit to some special interest, the American statesman may very well turn aside his thoughts and reflect and gather from that sort of argument that it is an appeal—as it was, in fact, an appeal—for the benefit of a single interest and nothing else, and has no proper home, no proper lodgment, in the domain of American statesmanship. However right it may be for the representatives of a single special interest to seek advantage by special legislation for that particular interest, it is nevertheless our duty to see to it that the whole people shall be benefited, and not a few people.

"Do something for silver! Give silver something! Don't close your eyes to the suffering condition of silver! Give silver something!" We propose to "do something "for the American people, and all the people; and the cry comes, "Don't do that, but do something for silver!" We say give to the American farmer a market for his surplus products and a fair, remunerative price for the proceeds of his labor; and the answer comes from the auriferous sands of California, "Do something for silver!" We say, let us remove the barrier that has been placed by the action of the Fifty-third Congress upon the prosperity of a million woolgrowers in this country, and theresponse comes, "Do something for silver!" Do something for a hundred men—the greatest m

I protest against legislation favoring the single interest of silver

I protest against legislation ravoring the single inverest of silver production, and I demand legislation for the benefit of all the industrial and productive interests of the United States.

My distinguished colleague from Ohio [Mr. Danford], in a speech which I did not have the pleasure to hear, but which I am delighted to find has made so early an appearance in the Record, pointed out one single fact that, if it can be taken and understood and diseased by the American scale is a few single fact that, if it can be taken and understood. and digested by the American people, is a stronger argument than all the appeals that can come here in behalf of a single interest. The whole situation is clearly illustrated by one remark that my colleague made. The seigniorage is now understood to be about \$65,000,000. Whether that means \$65,000,000 if coined into dollars or whether it is the original cost of the seigniorage I do not know and do not care; it exemplifies the whole of this argument, whose money is that? Whom does that belong to? What right has somebody to stand here and say that 100 exporate or individual owners of all the silver produced in the United States shall have the benefit of that condition of legislation in this country This seigniorage is the difference between the coined value of the silver dollars and the market value of the silver therein. Under our system the Government undertook to maintain the parity of these silver dollars with the gold dollar and the greenback dollar, and this sum of money was the profit to the Government and enables the Government to thus guarantee the parity. I defend and stand by the rights of the people of the United States to this profit and protest that the monopolists of the silver-producing States do not be thus enriched.

Whose mints are these in the United States? Who built the mint in California, the mint in Philadelphia, and the other mints? Whose money paid for them? Were they paid for out of the pockets of the constituents of these advocates of special legislation, or were they in point of fact builded and paid for by the money of your Constituents and my constituents—by the people of the whole United States of America? Who pays the expense of running them? It is a tax upon the people of the United States. The cost of their construction and their maintenance in all possible forms

appears in the appropriation bills of the House of Representatives, and the money comes from taxes levied upon all of the people.

The Constitution of our country confers upon Congress the right to provide for the coinage of money; and from time immemorial the process has been a very simple one. The weight of the pure silver in the dollar has been fixed by law; the degree of allow has been fixed by law; the degree of allow has been fixed by law; the degree of allow has been fixed in the same way, and the investigation of the the pure silver in the dollar has been fixed by law; the degree of alloy has been fixed in the same way; and the ingredients of the silver dollar are also defined by legislation. Then the silver is purchased by the Government just exactly as the Government buys the wheat and the flour, and the leather and the timber, and the iron and the steel, and the woolen goods with which it equips

buys the wheat and the nour, and the leather and the timber, and the iron and the steel, and the woolen goods with which it equips its Army and to furnish its Navy and to provide for all the machinery of the Government. One commodity bought from the citizen is used for the other purposes of the Government. And the profit upon the wheat and the pork and the beef that is bought from my constituents becomes a profit in favor of the people of the whole country; the profit upon the silver bought from the constituents of the gentleman from California becomes the property of the people of the country.

Here we have an accumulation in the Treasury of \$65,000,000 constituting this seigniorage. If these gentlemen could have had their way, that money would to-day be in the pockets of 100 people of the United States; and if I can have my way, it shall be the property of all the people of the United States. That is all there is of it. Therefore the gentleman from California can very well cry out, "Do something for silver; give silver something!" Have we given silver nothing in this country? We have coined more than \$600,000,000 of silver; and there is in the Treasury to-day, as the gentleman from Maine clearly showed, only \$7,000,000 of free silver—only \$7,000,000 that by any honest proposition can be used for any other than the treasure the results and the past. silver—only \$7,000,000 that by any honest proposition can be used for any other purpose than that for which it was solemnly hypothecated and pledged. There is in the circulation of this country this vast outstanding body of silver certificates. In authorizing and issuing those certificates were we doing anything for silver?

Did we do anything for silver when we bought four and a half
million ounces of silver every month at the market price? What right has the gentleman from California or any other gentleman right has the gentleman from California or any other gentleman to ask that the producers of silver among his constituency shall have a price above the market price, while my constituents are compelled to sell their labor—their coal, their farm products—in competition with all the people of the United States, and without any adequate protection at the hands of Congress from the competition abroad. [Applause.]

Mr. JOHNSON of California. Will the gentleman from Ohio

pardon me for a moment?

Mr. GROSVENOR. Certainly.

Mr. JOHNSON of California. I possibly misunderstood the gentleman, but I understood him to use some expression as to "my constituents" just now.

Mr. GROSVENOR. Very well; I very likely did; I referred to

your constituents and mine, too, possibly.

Mr. JOHNSON of California. I thought you alluded to my Mr. JOHNSON of Canforna. I thought you alluded to my constituents in connection with silver producing. Now, so far as I am advised, and I think I know the facts, there is not a single silver mine in the State of California.

Mr. GROSVENOR. I understand that quite well—
Mr. JOHNSON of California. Therefore the influences that

the gentleman seems to suggest as having weight upon this ques-

tion do not apply to my constituents.

Mr. GROSVENOR (continuing). And I understand also that

Mr. GROSVENOR (continuing). And I understand also that there is no State of this Union, nor any country on earth, that is more exclusively, proscriptively, and absolutely upon a gold standard than the State of California. [Applause.] Now, the gentleman from California made a good speech, and I hope he will stand upon it until he sees fit to retract it.

Mr. JOHNSON of California. I never retract. [Laughter.]
Mr. GROSVENOR. Mr. Chairman, we have outstanding \$350,000,000, in round numbers, of silver certificates. They had their origin in the statute that authorized the purchase of the bullion which is deposited in the Treasury and without waiting for its coinage the issuance of the silver certificates, which because a part of the circulating medium of this country. It was once a part of the circulating medium of this country. It was practically that much addition to our silver currency. Have we done nothing for silver? There is in existence in the United States between six and seven hundred million dollars of silver, every dollar of which, thanks to the intelligence of the Republican party in its great body and not in its factions, is worth as much as any gold dollar in the Treasury of the United States of America. Is that doing nothing for silver? Silver is a legal tender. Gentlethat doing nothing for silver? Silver is a legal tender. Gentlemen use the sadly, almost fraudulently, always misleading statement that silver has been demonetized in this country. What do you mean by "demonetization?" Why, that silver has ceased to be money. But is that true? There are nearly \$700,000,000 in the United States of silver and its representative, just as much money as you have of gold that is so cautiously and carefully hoarded in the banks of the State the gentleman from California in part represents. in part represents. Mr. HYDE. W

Mr. HYDE. Will the gentleman from Ohio permit a question?
Mr. GROSVENOR. Certainly.
Mr. HYDE. Does the gentleman regard the silver certificates in circulation as standard money?
Mr. GROSVENOR. Well, I am not a philosopher; I know something of standard-bred horses and things of that kind, but

as to the other—
Mr. HYDE. Permit me a moment. Do you know the meaning of "standard" as used in the Republican platform in 1892?

Mr. WALKER of Massachusetts. Mr. Chairman, I rise to a

question of order.
The CHAIRMAN. The gentleman will state it.

Mr. WALKER of Massachusetts. That it is contrary to the rules of the House to ask private questions of a member occupy ing the floor. I claim that such questions should be spoken loud enough for all the members to hear and understand the course of the debate, and that no member should address another who is

the debate, and that no member should address another who is occupying the floor without the permission of the Chair.

The CHAIRMAN. The gentleman was strictly in order, as the gentleman from Ohio yielded to him.

Mr. WALKER of Massachusetts. But I make the point of order that the gentleman from Ohio had no right to yield for a question which is not spoken in the ear of the whole House.

Mr. HYDE. Well, I have perhaps not as good lungs as the gentleman from Massachusetts, but I am a Republican, and have been since I first voted for Abraham Lincoln. When the gentleman from Ohio who was occupying the floor yielded to me I supposed that I had the right to ask a question. [Laughter and applause.] I believe this is the second time that I have asked one since I have been here.

planse.] I believe this is the second time that I have asked one since I have been here.

Mr. GROSVENOR. I hope the gentleman will ask more of them. I am very much obliged to the gentleman from Massachusetts, and think I can say, without arrogating to myself any great power, that I generally take care of myself in a fairly satisfactory manner to myself. [Laughter.]

Mr. WALKER of Massachusetts. Mr. Chairman—

Mr. WALKER of Massachusetts.

The CHAIRMAN. Does the gentleman from Ohio yield? Mr. WALKER of Massachusetts. I do not rise to ask a question, but in my own right as a Representative on this floor, to a question of personal privilege.

Mr. GROSVENOR. I hope the Chair will keep account of my

Mr. WALKER of Massachusetts. It is this—
Mr. GROSVENOR. The gentleman from Washington asked a
perfectly respectful and pertinent question. I had been speaking
of the silver currency of the country as the money of the country,
and not a demonetized or discredited money; for he who to-day
talks of the "crime of 1873" simply writes down the men who are

so claiming as incapable, incompetent to be members of this House, unfit to be members of the Senate, unfit to be anything. For a man who sits in the Senate of the United States and hears, or ought to hear, sixty pages of the Congressional Record sounded in his ear, and is not aware of what is being said, ought to go

home and never come back again. [Laughter.]
Mr. BARTLETT of Georgia. I should like to ask the gentleman if no less a person than James G. Blaine, who at the time was Speaker of the House of Representatives, did not, in 1878, in a speech made in the Senate, say that he was not aware at the time of its passage that the act which demonetized silver contained

that provision.

Mr. GROSVENOR. I do not take back anything that I said.
Mr. BARTLETT of Georgia. I ask the gentleman if Mr. Blaine
did not declare that he did not know it?

Mr. GROSVENOR. I reiterate my former statement and stand Mr. BARTLETT of Georgia. You do not answer my question,

Mr. GROSVENOR. There is no need to answer it further.

That answers it.

Mr. BARTLETT of Georgia. I do not understand the gentle-

Mr. GROSVENOR. That is the answer. I do not yield my original proposition. Ignorance of that which a member of Congress ought to know, and easily could know if he gave attention to the public business, is no excuse for his failure to know, and

mr. BARTLETT of Georgia. Let me ask you another ques-

Mr. GROSVENOR. No; I guess you had better not. [Laugh-

ter.]
Mr. BARTLETT of Georgia. I do not think the gentleman can

Mr. GROSVENOR. I do not think the gentleman from Georgia wants to ask any question that can throw any light on that subject. The gentleman from Washington, if I understood him, asked me what was the meaning of the word "standard" in the platform of 1892. I think the use of that word in that connection was, that it should be money of the value of other money standard money. Money of the standard of the money of the country. I do not think that it intended to mean that it was a kind of money that could control the action and discretion of the Treasury Department. I am one of those Republicans who believe that every dollar of the national debt is, as matter of law, redeem-

that every dollar of the national debt is, as matter of law, redeemable in gold or silver, the money of the Constitution, at the option of the person who pays out the money. I think anything short of that would be simply absurd.

That is the position of the Republican party; that is the position of the party that is now threatened with destruction because it has not done enough for silver. It has made silver a legal tender for every debt; it has made it receivable for public debts; it is circulating it to the utmost capacity of the Treasury Department; it has put millions upon millions of dollars into the pockets of the monopolists who hold it; and to-day it stands demanding that such legislation shall be had and such treaties shall be made as to ultimately fit it—not make it by law, but make it fit—to be the such legislation shall be had and such treaties shall be made as to ultimately fit it—not make it by law, but make it fit—to be the money of redemption. I take it there is a good deal of difference between a statute and a public declaration that makes a currency standard money and a declaration that compels the use of it as the money of ultimate redemption of the promises of the Government. The one is a statute, the other is a practice of the Department; and while the civilized nations of this world, all of them, the great commercial nations, use gold as the money of ultimate regreat commercial nations, use gold as the money of ultimate re-demption, the United States must do it or the United States must

lose its position among the people of the world.

Now, Mr. Chairman, we are told that unless this thing be done and done speedily—what thing? "Something for silver; give silver something"—we are told this morning that if that is not done the

Republican party shall die.

I hold in my hand a special telegram to the New York Herald of this morning, purporting to give the substance of a political platform issued in this city on yesterday, not made as a public declaration of these Senators in the Senate of the United States, declaration of these Senators in the Senate of the United States, and therefore when I speak about it I am not criticising any coordinate branch of the legislative part of the Government; but they have sent it out, it is said, to form a rallying cry, a demand, and I have no doubt of the truth of this statement, so far as the attitude of a few, at least, of the men named in this statement is concerned, because it is in keeping with the whole conduct of the gentlemen composing a part of this list in the Senate itself. I will put the entire abstract, a very brief one, into my speech. The substance of it is a declaration that you must indorse the platform of 16 to 1 as the ultimate policy of the Republican party or "there will be no Republican party." That is the declaration, and it is signed by a number of Senators, whose names I will read:

LEE MANTLE, GEORGE L. SHOUP, EDWARD O. WOLCOTT, JOHN H. MITCHELL, FRANK J. CANNON, H. M. TELLER, FRANCIS E. WARREN, H. C. HANSBROUGH, T. H. CARTER, GEORGE C. PERINS, J. D. CAMERON, C. D. CLARK, ARTHUR BROWN, R. F. PETTIGREW, and FRED T. DUBOIS.

I do not believe the statement published in the press heretofore alluded to correctly stated the position of a number of the gentle-

alluded to correctly stated the position of a number of the gentlemen named, but it shows the desperate character of the men who are holding the Republican party by the throat and threatening to bolt in advance of its platform.

The following is the special dispatch referred to:

SILVER MEN'S ULTIMATUM—SIXTEEN SENATORS AGREE TO PREVENT PRO-TECTIVE LEGISLATION UNTIL SILVER WINS.

[By telegraph to the Herald.]

PHILADELPHIA, PA., February 7, 1896.

PHILADELPHIA, PA., February 7, 1896.

Wharton Barker, as one of the foremost leaders of the silver forces, has secured the indorsement of sixteen Republican members of the United States Senate piedging them to a policy of bimetallism and protection.

Armed with the document containing the original signatures of the sixteen Senators in question Barker to day issued an open letter to the manufacturers containing a declaration of principles, in which he makes the bold assertion that no more protective tariff bills will be allowed to pass Congress until the protectionists of the East consent to have silver coupled with protection.

He further states that the responsibility rests with the manufacturers of the East to force the Republican party to adopt his (Barker's) platform, and that by so doing alone can they save the protective system. To ignore his platform means, he says, the disruption of the Republican party, and it will lose the sympathy and alienate the support of those who put bimetallism before protection, and without whose support the passage of any further tariff measures is impossible, thus making the defeat of the Republican party inevitable.

In his letter he says: "You must indorse such a platform and force its

inevitable.

In his letter he says: "You must indorse such a platform and force its adoption by the Republican party or there will be no Republican party."

The Senators who signed the agreement are LEE MANTLE, GEORGE L. SHOUT, EDWARD O. WOLCOTT, JOHN H. MITCHELL, FRANK J. CANNON, H. M. TELLER, FRANKI S. CANNON, H. M. TELLER, FRANKI S. D. CAMERON, C. D. CLARK, ARTHUR BROWN, R. F. PETTIGREW, and FRED T. DUBOIS.

Mr. TELLER indorses it, but says he prefers a ratio of 15½ to 1.

In this connection it may be stated that these gentlemen representing entire States, two Senators to a State, will represent in senting entire States, two Senators to a State, will represent in this coming election in an electoral college of 460 votes the enormous power of 16 electoral votes. "We, the tailors of Tooley street!"—"We, the people of England!" [Laughter.] Then we have Oregon, represented in part by one Senator. I undertake to say that the old Republican State of Oregon will next June testification. tify, and her voice will be heard ringing, as it has always been heard, across this continent in the early days of the summer, protesting against that declaration. North Dakota in part, Cali-

protesting against that declaration. North Dakota in part, California in part, North Carolina in part, and Pennsylvania in nothing—nothing, absolutely nothing.

I want to refer now in detail, and I have taken some care to prepare the statement, and I want these gentlemen who send out their messages that "there shall be no Republican party" unless the Republican party shall indorse the doctrine of the free and unlimited coinage of silver at the ratio of 16 to 1—I want every one of these gentlemen to study this, and let each one, when he is through with these figures and sees no onening to criticise answer through with these figures and sees no opening to criticise, answer the question whether he is representing a party or a faction, whether his presence inside or outside the party is really indispensable to party success.

THE DEMANDS OF THE FREE-SILVER REPUBLICANS.

Threats of political apostasy, menaces of bolts from party nominations, and indications of party division are important and potential only in view of two conditions:

First. That it is the deliberate purpose of the persons or factions making such demonstrations to carry into execution their

threats or menaces.

Second. That it is in their power to execute, as a last resort,

their threats.

The Republican party of the United States, looking forward to The Republican party of the United States, looking forward to the contest of 1896, can not avoid taking into consideration certain utterances of Republicans purporting to speak on behalf of the advocates of free and unlimited coinage of silver. However earnestly we may advocate the theory of duty and obligation to principle, the question of success obtrudes itself upon our consideration at all points, and so, when distinguished men, claiming to represent, and probably to some extent actually representing to important sentiment upon an important question of American portant sentiment upon an important question of American important sentiment upon an important question of American politics, threaten to overthrow the party in the coming battle if their peculiar notions are not embodied in the platform and their peculiar views are not fully represented in the candidates, it is the part of wisdom to duly consider the situation in the light of the two propositions which I have suggested.

Recently, and especially during the fall prior to the meeting of Congress, there were utterances by certain gentlemen claiming to be members of the Republican party indicative of a purpose on

behalf of a certain interest to demand that that interest shall write the platform and nominate the candidate of the Republican party; or failing in both these demands the defeat of the party is decreed. One gentleman used the following language:

Let the Republicans of the East beware. We will submit to a fair present-ment of our case before the voters of the United States and be reconciled to their decision, but our influence can never be stifled by political legerdemain or gold-bug intrigue.

Many more such declarations would leave Western Republicans without hope and drive them out of the party. I would also point to the fact that such a result would likely throw the election next year into Congress and, if this should occur, it would be impossible to elect a Republican President on a gold platform,

each State having but one vote, thus giving 13 out of the 45 to the silver States. In this connection it may be pointed out with propriety that the honorable Senator from South Dakota [Mr. Pettigrew], in a recent interview in the city of New York, said:

If the silver men are ignored and a gold bug is nominated upon a gold platform, seven or eight of the Republican States of the Northwest will be lost to the Republicans.

When asked about the effect of the bolt of "seven or eight of the Republican States of the Northwest," he said that it would have the effect to prevent an election by the people. Then he said that in that event there would probably be a combination of Southern Democrats with Northwestern silver States, and in Congress their candidate might prevail. It is due to the distinguished Senator to state in this connection that he disavowed making a threat in this way and uttered the following exceedingly sensible sentence: "Threats are very silly among men." How they are sentence: "Threats are very silly among men." How they are among women I do not know. [Laughter.] These two declarations were made prior to the recent election, and doubtless if the gentlemen who made them were to revise the statements referred to, there would be modification of these utterances if not wholesale repudiation of the sentiment.

But however that may be, the important consideration is what weight is to be given to these menaces of danger. The next electoral college will consist, as appears now, of 446 electors, a majority of whom will be 224, and that number will be required to elect a President. Assuming now that the seven or eight States referred to by Mr. Pettigrew should bolt and stand ready to join with the Democratic faction as threatened, and then assume that with the Democratic faction as threatened, and then assume that this defection took place, as it would have to in order to be powerful before the election in November, it is safe to say that beyond all reasonable doubt the following States would elect Republican Presidential electors: Connecticut, 6; Illinois, 24; Indiana, 15; Iowa, 13; Karsas, 10; Maine, 6; Maryland, 8; Massachusetts, 15; Michigan, 14; Minnesota, 9; Nebraska, 8; New Hampshire, 4; New Jersey, 10; New York, 36; Ohio, 23; Oregon, 4; Pennsylvania, 32; Rhode Island, 4; Vermont, 4; West Virginia, 6, and Wisconsin, 12. Here are 263 electoral votes, or a majority of 38. A careful inspection of this list of States will satisfy anyone that there is not a weak spot in that line, nor is it reasonable to believe the there will not be added to that column the vote of California and not a weak spot in that line, nor is it reasonable to believe that there will not be added to that column the vote of California and Washington, making 13 in addition; and that is not all. Upon this issue pressed upon the people we have the States of Delaware, Kentucky, Tennessee, and Louisians, with 37 electoral votes, more likely to be Republican than Democratic.

Mr. TAWNEY. If the gentleman will allow me, why do you propose to exclude Minnesota?

Mr. GROSVENOR. I have her in here. Perish the proposition!
Mr. GAMBLE. I would respectfully ask the distinguished gender from Ohio upon what ground and his reasons for exclude

tleman from Ohio upon what ground and his reasons for excluding South Dakota from the list of Republican States. I challenge the accuracy of such a statement. The Republicans of my State are now and always have been loyal to the principles of that party, believe in its policies, and are proud of its history. It has never yet suffered defeat at the polls in asserting Republican principles before as intelligent and patriotic a body of electors as reside within the confines of the nation. I state here and now that South Dakota will be found at the next election in the Republican column upon the platform that will be promulgated at the St. Louis convention, which, I believe, will treat fairly and justly this great subject now under discussion. The Republican party of South Dakota is in favor of bimetallism, and such has always been the uniform declaration by the party in its national platforms. I believe it will not depart from that policy now.

To the criticisms indulged in by the gentleman, as far as they

relate to the senior Senator from my State, I do not care to reply. I prefer rather to allow him, if he sees fit, to answer in his own

I prefer rather to allow him, if he sees ht, to answer in his own time and in his own way.

Mr. GROSVENOR. I was only showing what there was certain without reference to what the Senator said. I must treat the Senator with perfect respect while he is Senator.

The "seven or eight Republican States of the Northwest," to which the distinguished Senator from South Dakota doubtless

refers, are Colorado 4, Idaho 8, Montana 8, Nevada 3, Wyoming 3, Utah 8, South Dakota 4, and Washington 4, with 27 electoral votes. Now add these to the Southern votes, Alabama 11, Arkansas 8, Florida 4, Georgia 13, Mississippi 9, South Carolina 9, Texas 15, Virginia 12, making 84 votes; and then add these to the 27 votes, and you have 111, and there remains not disposed of North Dakota 4, Delaware 3, Missouri 17, and North Carolina 11. Of these 35 votes upon the plain issue of free silver and Democracy, against sound finance and protection, I think no intelligent man will doubt that there is more likelihood that Delaware, Missouri, and North Carolina, with 31 electoral votes, would vote for the Republican candidates than for the free-silver candidates. So much for the election before the people in November, 1896.

Now, assuming that the unlikely, and indeed almost impossible, shall happen and the election be thrown into the House. It must be borne in mind that each State in such a contingency has one

be borne in mind that each State in such a contingency has one vote, and that vote is controlled by the majority of its delegation in the House. If a State is evenly divided she does not vote. In this case Maryland, Tennessee, Kentucky, and North Carolina would be silent. The only contingency upon which this suggestion would be erroneous would be the possibility, if not probability, that Judge Denny will be successful in his contest with Owens of Kentucky, in which case the vote of Kentucky would be for the Republican candidate, but without that the four States would be Republican candidate, but without that the four States would be deducted from the 45 States, leaving 41 votes to be cast, and 21 would be a majority. Where will these 21 votes come from? Here is the list that is as certain as anything in politics to vote for the Republican candidates: California, Connecticut, Delaware, Illi-

Republican candidates: California, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, Washington, West Virginia, and Wisconsin, 24 votes.

Assume that the unholy alliance suggested between the Democracy of the South and the free-silver States of the Northwest could be consummated, a result that it is impossible to believe can be brought about. In that event we should have for a mongret candidate wheever he might be Idaho Montana, North Dakote. pe brought about. In that event we should have for a mongret candidate, whoever he might be, Idaho, Montana, North Dakota, Colorado, Nevada, South Dakota, Wyoming, Utah, Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, South Carolina, Texas, and Virginia. The suggestion that all these States could be brought into a harmonious organization through the present delegations in Congress is too absurd to be seriously contemplated, I admit; but that is the worst that can happen; and that is not all of it, for in the Constitution of the United States, in Article XII, appears the following, referring to the conditions spoken of by Senator Pettigrew, where neither candidate has a majority of the electors:

And if no person have such majority, then from the persons having the highest numbers, not exceeding three on the list of those voted for as President, the House of Representatives shall choose immediately by ballot.

Thus it will be seen that from the regular nominee of the Republican party, the regular nominee of the Democratic party, and the regular nominee of the Populistic party the candidate must come upon whom can be concentrated the vote of 21 States.

It will take a mighty change in conditions to bring about a situation in which the State of Louisiana or Virginia or even Georgia, not to mention Alabama and Texas, could be induced to east its vote in the House of Representatives for Coxey, of Ohio, or Debs, of Indiana. It may be pointed out in criticism of this article that Tennessee is not properly sessioned a position as a State which that Tennessee is not properly assigned a position as a State which would divide its vote. Assuming that no contest will be decided in favor of the Republicans—and I do not know that one is pending—I do assume that under no conditions which can possibly arise will the distinguished Representative from the Memphis district [Mr. Patterson] join in making it possible that the vote of Tennessee shall be cast for a free-silver man for President of the United States, and driven as he will be in such an emergency to vote for a Republican, he is certain to divide that State and

If it out of the contest. [Laughter.]

These considerations result in an inevitable conclusion, and that is that the Republican party in the formation of its platform and the selection of its candidates for 1896 need not cater to any element in politics which would be injurious to the high plane upon which it has always stood as a party of conservatism and integrity; nor yet will it be called upon, even if, under any contingency, such a course would be justified, to lower the standard of its high position upon the subject of a sound currency, a dollar of equal value, tion upon the subject of a sound currency, a dollar of equal value, the promoter and defender of the commercial and financial honor of the United States. Nor will it be necessary or desirable that it shall modify any position it has hitherto occupied upon any of the great questions of American politics, for it has an assurance that upon a platform in substance and effect the platform of 1883 it can carry the country by an overwhelming majority in the popular elections in November. And if by any mutation of political conditions the elections should be thrown into the House of Representatives, the party and the country can rest in serves confiresentatives, the party and the country can rest in screne confidence that the House of Representatives will select without delay

the candidate who had been voted for as the regular Republican

the candidate who had been voted for as the regular Republican candidate at the November election.

So it will be seen by this analysis that the threats of bolters and the menaces of factions need not and will not deter the Republican party from the course it has adopted. The path of duty and honor is the path of safety and leads to success. [Loud applause.]

Mr. ALLEN of Mississippi. Will the gentleman yield for a question?

Mr. PATTERSON. I trust the gentleman from Ohio will allow e a single word.

Mr. GROSVENOR. I yield first to the gentleman from Mis-

sissippi.

Mr. ALLEN of Mississippi. I wanted to ask the gentleman from Ohio in all fairness whether he thinks the remarks he has just submitted are carrying out an agreement entered into by himself and myself to keep down all partisan feeling in this House. [Laughter.] Does he not think that this speech of his, while not directly a partisan speech, is calculated to appeal to partisan feeling? [Laughter.]
Mr. GROSVENOR. I think not. I think this is a plane upon

Mr. GROSVENOR. I think not. I think this is a plane upon which all the intelligent, patriotic people of the country can stand. Now I will hear the gentleman from Tennessee.

Mr. PATTERSON. Mr. Chairman, my friend from Ohio has singled me out and surmised what my action would be in a certain contingency. I wish to say to this House in general terms that I fondly look forward to the day when the Democratic party, as in the past, will be distinctively the sound-money party of the the country. And I do not expect ever to see the day—I do not contemplate ever seeing the hour—when I shall not stand with

contemplate ever seeing the nour—when I shall not stand with
the Democratic organization in any and every contingency.
[Applause on the Democratic side.]
Mr. GEOSVENOR. Well, Mr. Chairman, there are so many
"contingencies" in American politics that I thought I might speak
about one which possibly might invade the peaceful domain of
the gentleman's mind at an early day. [Laughter and applause.]
Mr. McCLEARY of Minnesota. May I interrupt the gentleman a moment? I want to ask him why he puts North Dakota
in the doubtful column after listening to that magnificent address

in the doubtful column after listening to that magnificent address delivered the other day by one of the Representatives from that

Mr. GROSVENOR. I wanted to be intensely respectful to the distinguished Senator from that State. I do not believe that one of those States will forsake the banner of the Republican party or those States will torside the banner of the Republican party [applause]; the banner of the party that has made us what we are; the banner of the party that has made the dollar in the pocket of my friend from California all that it is worth to-day; the party that refused to go, upon the demand of the "sand-lot" champion of California, into the mire and filth of irredeemable paper money; of Cantornia, into the mire and fifth of irredeemable paper money; that party that gave to this country a standing among the financial states of the world. Men may come and men may go, but these States will not secede from the party to follow the dictation of a faction or the suggestion of local speculative interests.

Mr. OWENS. May I ask the gentleman is that the same party that a few weeks ago retailed its national convention to the highest

Mr. GROSVENOR .-

Great God! on what a slender thread Hang overlasting things!

[Laughter and applause.]
Mr. MILES. Is it the same party that has just made a deal with the Populists at the other end of the Capitol in order to get

control of a few offices?

Mr. GROSVENOR. I think it is the party that at the other end of the Capitol has been compelled to take possession of a machine which your party has been smashing for the last year and a half.

[Laughter and applause.]

Mr. Owens again rose.
Mr. GROSVENOR. I decline to be further interrupted.
The CHAIRMAN. The gentleman from Ohio declines to yield

Mr. GROSVENOR. I do not want to have my time occupied by frivolous matters.

Mr. OWENS. I want to ask the gentleman

The CHAIRMAN. The gentleman from Ohio declines to yield. Mr. GROSVENOR. I shall be glad to hear the gentleman from

Kentucky; he is such a fine-looking man.

Mr. OWENS. I just wanted to ask the gentleman whether
this is the same party that signalized its return to power in the
Senate by sending us the free-coinage bill which we are now con-

sidering?
Mr. GROSVENOR. Well, I have just been talking about that party, and I think I have characterized it as well as the gentle-man from Kentucky could. If not, he can get some time and do it for himself. If there is anything in the action of the Senate, when you come to look over the yea-and-nay lists, that gives any comfort to any honest-money Democrat, he is welcome to get that list and read it. The Republican party stands to-day offering to this country a remedy for its troubles. It stands to-day assuring the people that the party which has made our country what it is is willing to utilize every dollar of silver that can be made and kept equal in value to the gold dollar of the country. Our Democratic friends are shouting that good times are coming, and the harbinger of good times is demonstrated by the fact, as they claim, that some five hundred and odd millions of dollars were subscribed at the Treasury for the loan of \$100,000,000 of bonds.

I have not very much time to speak of that branch of the ques-tion, but I desire to caution my friends on the other side not to get excited or overjubilant at that outlook. Men invest their money in this country in the best enterprises that they can find, and at a time when the industries of the country are prostrate— I pronounce without hesitation the whole proposition that there I pronounce without hesitation the whole proposition that there are good times among the masses of the people as a fallacy, a false statement, and a delusion. In times like these when labor is unemployed, when prices have gone down, when foreign trade has been substantially abandoned, when confidence has failed in the matters connected with our ordinary industrial system, then money is subscribed at low rates of interest for Government se-curities, and the highest evidence in my mind that the great moneyed interests of the country have gloomy forebodings for the future and entertain a feeling of grave doubt and uncertainty as to the outcome is the enormous rush that was made to bid for and purchase these 3 per cent securities of the Government.

Mr. Chairman, if you had made that offer to the people of this country in the fall of 1892 you could not have gotten that amount

of money for a 3 per cent loan under any circumstances. And why? Because they had something to do with their money. There was something that labor could do. There was hope in the minds of the people; there were ambition and prosperity all over the land.
To-day the banks come forward, men of large means and even in some instances of small means, small holders of money, now come and subscribe to the interest industry that will yield them a return

and subscribe to the interest industry that will yield them a return of 3 per cent on their money because there is nothing else in the country to which their money can be applied.

There never was a time in the history of the United States when there was greater demand for Republican statesmanship than there is now. Whether this Congress shall be able to achieve anything or not I do not know, but I do know that the House of Representatives, with its great Republican majority, has already made an investment the keristres of the country. atives, with its great Republican majority, has already made an impression upon the business of the country. I do know that by the passage of the bond bill, which you now want to destroy, and by the introduction of the resolution of similar import in the Senate, and by the protests that came as a response to our declaration, the Administration abandoned the star-chamber process of loaning the money of the people, and upon that \$100,000,000 of loan that is now to be floated, the difference between the sum reached last winter by the secret process of selling the bonds and the process prescribed by the bill passed by the House of Representatives this winter, a difference of something like ten or twelve million dollars would be secured to the Treasury [applause] and every dollar of it is due to the protest of the Republican House of Representatives against the demand of the Administration of the Government. And I say now, with all due deliberation, that he of the Republican party who stands here to-day and votes for that chimerical proposition, the free and unlimited coinage of silver, thereby giving license to the Administration to enter into another combination or star-chamber process to loan the into another combination or star-chamber process to loan the money in the dark, will be held responsible by his constituents when there comes a return of the patriotic sense of the common

when there comes a return of the patriotic sense of the common people of the nation. [Applause.]

Vote for free silver if you see fit; vote for the mistaken dogma, as I look upon it, if you believe it to be right, or if in your honest judgment you believe in the principle, but do not do so by protesting that you are against the principle of borrowing the money of the country in a star chamber of a Treasury conspiracy.

Mr. Chairman, let us reject this proposition and send it back to to the other end of the Capitol, and if the Senate wants to encumber the tariff bill we passed with free coinage let them do so. I

to the other end of the Capitol, and if the Senate wants to encumber the tariff bill we passed with free coinage let them do so. I take it for granted that if to-morrow the trump of the Angel Gabriel should blow, and the sheeted dead be called to judgment, there would spring up some members and ex-members of that body and hundreds of men who would shout to Gabriel to suspend procedure until they could offer an amendment to the call of judgment at the ratio of 16 to 1. [Laughter and applause.] The whole business is a mere attempt by party revolution to obstruct legislation and block the wheels of Government and force the views of an unimportant minority upon an overwhelming mathe views of an unimportant minority upon an overwhelming majority, and this in the interest of a local production. I appeal to the Republicans of this House, as I appeal to the Democrats who favor a return to the time-honored principles of that great party, and who hope for the future in American politics, that we shall all stand together for the interests of the whole country and not of a section, and that in the election of 1896 we take such a position as will once and forever settle this question in the interests of all of the people, and the great party that has done so much for the country will take care of subsidiary questions as they arise along the future pathway of the nation. [Applause.] Silver Restoration-The Duty of the Republican Party.

SPEECH

OF

HON. CHARLES A. TOWNE,

OF MINNESOTA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, February 8, 1896,

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 299) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue, with Senate amendments—

Mr. TOWNE said:

Mr. CHAIRMAN: If it were not for a profound, an almost overpowering, sense of duty, I should not on this occasion vex the ear of the House nor venture to do violence to that feeling of embarrassment which I assure you is most oppressive to myself and, I fear, all too evident to my auditors; particularly when I must follow the distinguished and eloquent gentleman from Iowa [Mr. Herpurn], whom the House is always glad to hear. Under these circumstances I am reminded of those familiar lines of Shakespeare,

As in a thester the eyes of men, When a well-graced actor leaves the stage, Are illy bent on him that enters next.

But, sir, I conceive that the general subject which is brought before this House by the pending measure is by all odds the most important one that will engage or has engaged the attention of this body at this session of Congress. The eminent gentleman who opened the discussion upon this measure [Mr. DINGLEY], following a metaphor that had its origin, I believe, with Aristotle, and which has had frequent employment since, well likened the money of the commercial nations of the world to the lifeblood of the physical Sir, the comparison is most apt; for not more do the health and efficiency and happiness of the physical organism depend upon the quantity and condition of the blood, than do the welfare, the prosperity, and the progress of society depend upon the volume and character of the money that flows in the channels of its commercial circulation. This it is which gives importance and special emphasis to the question now pending; because there are hundreds of thousands of men in the United States and elsewhere in the world to-day who believe that there is a studied effort on the part of certain interests by subtle surgery to abstract from the blood of the body politic its white corpuscies [applause], and to allow to atrophy one of the ventricles of its great central heart whose harmonious pulsa-tions give power and energy and movement to its organization. [Applause.

The question, sir, is an imminent one. It is a question that, like Banquo's ghost, will not down. "Avaunt and quit my sight" will not banish it. Gentlemen may cry, "Peace, peace;" but there is no peace. Politicians may say, "We will make this thing or that thing or the other thing the issue." But, sirs, it is issues that make parties, not parties that make issues. [Applause.] Some gentlemen say, "Let it alone; let the question settle itself; do not agitate it." Sir, that is not the language of brave men; that is not the language of statesmen; that is not the language of the whilom and customary leadership of the grand old Republican party. [Applause.] Its constant reiteration shows a decline in the ancient

and salutary standards of self-government.

Our institutions are founded upon and presuppose the fullest investigation, the genuineness of opinions, fair, free, and fearless discussion. Had men in the past neglected to exemplify these requirements and to insist upon their guaranty, what would have been the history of liberty? To what unbappy condition would not mankind have been reduced had John Hampden been afraid to arraign his king for the unconstitutional exactions of ship money; had Sam Adams and Patrick Henry been obsequiously silent as to the stamp duty, or hesitated to affirm the great principle of "no taxation without representation;" had Thomas Jefferson permitted himself to entertain politic doubts whether "all men are created equal;" had Washington deemed it safer to submit to British tyranny than to defy it; had Garrison, Lovejoy, and Phillips been frightened from their high purpose by the calling of hard names and threats of personal violence; had Sumner, Seward, and Lincoln thought it indiscreet to denounce the treatment of Kansas as a crime, to assert that the conflict between freedom and slavery was "irrepressible," and to make a new application of the old proverb that "a house divided against itself can not stand." [Applause.] No, sir; let us not abandon our duty. Let us stand to it like men.

Said Daniel Webster, in answer to a similar argument sixty years

If any evit arises to destroy or endanger this medium or this currency, our duty is to meet it, not to retreat from it—to remedy it, not to let it alone. We are to control and correct the mischief, not submit to it.

Moreover, a question of this magnitude and significance ought to be discussed in a spirit and manner appropriate to so high a theme. To treat it as if it were the claim of a small private interest seeking

an avenue for self-aggrandizement at the expense of the general good, is to show a grave incompetence to weigh and handle the momentous concerns of the people. That so many in this House are unable to grasp the higher and only real issues involved, is not complimentary to the standard of American statesmanship. Similar but much severer strictures must be drawn upon a considerable part of the public press. To call one's opponent in an argument "fool,"
"crank," "lunatic," "traitor," is as unprofitable as it is impolite.
People are apt to suspect one who "doth protest too much." Better answer your antagonist's argument than abuse him; and if he really be a fool his argument ought to be easily answered. Nor can you escape the ordeal of critical examination by merely pasting a label on your faith. Calling it "honest" and "sound" does not by any means make it so. It only begs the question. Nobody contends for unsound and dishonest money. I will permit no man to call me dishonest, nor shall he affix such a brand upon any proposal of mine. The people can not be deceived. They are studying this question as never before. Epithets can not deter them from penetrating to its mystery. The "craze" may have passed, but the era of sober and deliberate investigation has begun, nay, is already far advanced; and I warn gentlemen that there never has been so much interest in this great question as there is now. "What is 'honest money'?" men are asking. "Have we it now? If not, how shall we obtain it?" These questions must be answered by arguments, not by adjectives. answer your antagonist's argument than abuse him; and if he really

Nor, sir, on the other hand, does this discussion give proper place to wild talk of revolution, secession, and bloodshed. Sir, that kind to wild talk of revolution, secession, and bloodshed. Sir, that kind of declaration has no justification in this forum or in any other in the United States. This is a government of the people. It is the highest form yet known of that kind of government which a great commentator has called "a government by discussion;" and it is by orderly, sane, passionless, though earnest, discussion in the presence of the intelligent public opinion of the United States that presence of the intelligent public opinion of the United States that we must settle all large questions of policy. Duclos said in reference to public opinion, "the man in power commands, but the intelligent govern, because in time they form public opinion, and that sooner of later subjugates every kind of despotism." We bow to the reign of law, and he who advocates any other way of settling differences is preaching anarchy and will find no sympathy in this

In the discussion of this question, the first line of demarcation should be plainly drawn between the advocates of the single gold standard upon the one side and the advocates of bimetallism upon the other. In this matter there is great confusion of terms. It has been noticeable in the discussions on this floor, it is noticeable in similar discussions everywhere among those who take part in this controversy. Men call themselves bimetallists, men have to-day upon this floor called themselves bimetallists, who believe in a mon-

upon this floor called themselves bimetallists, who believe in a monetary system having one metal as a basis and another metal practically redeemable in it or resting upon it.

That is not bimetallism. That, I repeat, is not bimetallism. Nothing can be gained by a false use of terms. Everybody ought to favor the removal of all uncertainty in the meaning of the terms employed in this argument. If a man actually believes in the continuance of the present system, and I concede that there are two sides to the creation and that are more retired for the sides to the question, and that a man may rationally contend for the one or the other; but if a man honestly believes that gold should be the sole measure of value in the world, why can not he say so, and stand boldly and bravely up to his declaration? [Applause.] I have no patience with the believer in the gold standard who exhausts the resources of ingenuity in an attempt to avoid stating his real position. Such evasion bespeaks a lack of confidence either in his own conclusions or in their acceptability to the country.

Now, sir, a man who is honestly a bimetallist, who believes in the

use of both gold and silver as standard money, as money of ultimate redemption, the final basis of all token and representative currency, can not consistently stand up here and deny the evils of the single can not consistently stand up here and deny the evils of the single gold standard. It amazes me to hear gentlemen upon this floor loudly proclaim themselves bimetallists, and then launch themselves into tedious argument to prove that the gold standard is wholly satisfactory. They are bimetallists, yet gold is a stable measure of values? They are bimetallists, yet there is no appreciation of gold? They are bimetallists, yet prices have fallen! They are bimetallists, yet prices have fallen, and entirely because of cheapened cost of production! They are bimetallists, yet the restoration of silver is impossible! They are bimetallists, yet the present system must continue indefinitely? They are bimetallists, but the single gold standard is good enough for them! Why, sir, this is the very acme of inconsistency. I know not which is the more pitiable, that such folly should be tolerated, or that so many who commit it should be folly should be tolerated, or that so many who commit it should be so unconscious of it.

It may be thought, sir, that I am spending too much time upon this matter. But in the forum where this discussion is soon to be taken, I mean the great tribunal of the public opinion of the United States, it is of the utmost importance to both sides that we agree upon the meaning of the terms used in the inquiry, and that men honest in their convictions shall boldly take their places under the

banners they mean to follow.

Mr. Maurice L. Muhleman, deputy assistant treasurer of the

United States at New York, in his recent book, Monetary Systems of the World, page 12, says:

By bimetalliam, strictly defined, is meant the free and unlimited coinage of both gold and silver into coins of full debt-paying power.

I refer to Mr. Muhleman's definition because he speaks with authority upon matters of fact, and because his book aims not at theoretical discussion, but at a clear statement of settled and existing conditions.

Let me cite another authority: The royal commission appointed in 1886 by Queen Victoria "to inquire into the causes of the recent changes in the values of the precious metals," reported in 1888, and the report was published by our Government in 1889. I quote from

page 59 of that report, section 116:

A bimetallic system of currency, to be completely effective, must, in the view of those who advocate it, include two essential features: (a) An open mint ready to coin any quantity of either gold or silver which may be brought to it. (b) The right on the part of a debtor to discharge his liabilities, at his option, in either of the two metals at a ratio fixed by law.

That, sir, is bimetallism; and if a man do not believe in it let him say so, but let him not believe in something else and label it "bimetallism" for purposes of deception. [Applause.] The statement that the present system is bimetallic, if not ignorant is not candid. The attempt to substitute for the well-understood meaning of bimetallism a new definition, whereby it is applied to any monetary system in which both gold and silver are "used," without reference to the manner of the use, is a subterfuge unworthy of the honesty and dignity of American political discussion, and one that will not impose upon the aroused intelligence of the American people. [Applause.] If their final judgment is for gold monometallism, it will not be pronounced under any mistake or delusion. You can not promise them both silver and gold and satisfy them with gold alone.

Until recently it never entered into anybody's head since the word bimetallism was coined to have a doubt about what it meant. There can be no question as to the meaning of the word. Bimetallism means Two-metallism. It was coined to mean, and does mean, a money system where the two metals, gold and silver, are treated alike. It never has meant anything else. It signifies the equal access of gold and silver to the mints at a fixed ratio, and the option by the debtor as to the coin in which he shall discharge his debt. This matter is important. Gentlemen here and elsewhere constantly misapply this word. I do not propose to permit it any longer, to That, sir, is bimetallism; and if a man do not believe in it let him

This matter is important. Gentlemen here and elsewhere constantly misapply this word. I do not propose to permit it any longer, to the extent to which my little influence may go. I here and now challenge any gentleman upon this floor or anywhere else—and this is not a mere rhetorical defiance, but is intended to bring this confusion to an end—to produce a definition of bimetallism by any publicist or economist of authority or any statesman of standing, made prior to 1895, which is not in substantial accord with the definition I have given. Let no gentleman who may do me the honor to reply to this speech neglect this point. Let him be either for the single gold standard or for bimetallism, and if for bimetallism let him discuss the means of reaching the end and frankly concede that the present system cannot be permitted to last.

It has been, sir, only since the great parties of the United States have been every one of them unequivocably pledged to bimetallism, and that fact conflicted with the desires of certain people, that they have sought to make a new definition of bimetallism, and under

and that fact conflicted with the desires of certain people, that they have sought to make a new definition of bimetallism, and under that new definition to hold the pledgers to the letter of their ancient pledge without its spirit. [Applause.] Why can not men who do believe in the gold standard be honest and say so? I do not impute now, when I use the word "honest," any moral obliquity to any gentleman. I should perhaps rather phrase it in this way: Why shall not a man have the open and manly courage of his convictions and stand up and be counted? Why let him not say as the New York Evening Post said? That great representative of English opposition to the Monroe dectrine, protection, and bimetallism, and every other form of Americanism, said, not 2013 ago:

There are some people (a diminishing number, however) who hesitate to avow themselves in favor of the single gold standard, although they are opposed to any change from the present system. There are others (also a diminishing number) who think that because a certain limited number of silver dollars are in circulation we have bimetallism or the double standard in this country. This is a totally false conception, as false as it would be to assume that we have a paper standard because a limited number of greenbacks are affoat. * * The "gold bugs" have no change of standard in contemplation. They are satisfied with the present poeture of affairs, so far as that goes. The "expulsion of everything but gold as real money" took place in 1873, and continues unabated.

Let every man who believes with the Post imitate its frankness and say so. Let him say so along with the distinguished gentleman from Massachusetts [Mr. WALKER], chairman of the Committee on Banking and Currency, who declared in his speech yesterday—I do not pretend to quote him exactly, but I remember perfectly the substance of the statement—

the substance of the statement—
That if all the nations of the world were to come together and agree upon a ratio for the free coinage of gold and allver, it could not be maintained beyond a very brief space of time in face of the inevitable laws of trade.

Perhaps he believes it, sir. If he says so, I have no doubt he does, strange and incredible as it may seem to my poor faculties. But, sir, if he does believe it, then I undertake to say he can not remain in the Republican party unless, when the Republican party next proclaims its doctrine in a national convention, it shall change its platform. [Applause.]

Now, Mr. Chairman, I am not using the words of excess and incantion. I say that the Republican platform uses unmistakable language. It may not have said what the convention meant. If anybody wants to assume the burden of proving that the Republican party in national convention assembled solemnly declared what it did not mean, he is welcome to do it; but for my own part, I have never yet found it necessary to charge the grand old Republican party of these United States with deliberate misrepresentation. [Applause.] And that party in convention assembled proclaimed, in the last authoritative national utterance that we have from that organization: organization:

The American people, from tradition and interest, favor bimetallism, and the Republican party demands the use of both gold and silver as standard money.

I care not what restrictions, limitations, or qualifications were added to that sentence to complete the plank, they never could get away from that initial pronouncement pledging the party to the restoration of the full money functions of silver so as to clothe it with every dignity bestowed on gold. "Tradition" refers to some ancient system, not the present. "Standard money" is not token

money.

I am not now discussing the means of reaching it, but I defy any man on the top of this earth to say that the Republican party is not by its platform pledged to achieve bimetallism in some way, and I affirm that you must change that platform before a man who believes in a single gold standard can consistently stand upon it. If I am wrong on this point, let some subsequent participant in this debate state witht.

set me right.

Now, Mr. Chairman, if bimetallists are opposed to the single gold Now, Mr. Chairman, if Dimetallists are opposed to the single gold standard, what is the reason for their opposition? It must be because in some respects the single gold standard is wrong, because in some way it is an evil, because in some way it injuriously affects the people of the United States or the people of the world. Bimetallists contend that such is the fact. They contend that the single gold standard is and has been since its adoption by the leading compared pations an appreciating standard whose unit has remidle. gold standard is and has been since its adoption by the leading commercial nations an appreciating standard, whose unit has rapidly increased in general purchasing power, and must continue so to increase; that this appreciation is evidenced by a progressive fall of prices throughout the gold-standard world, not accounted for by diminishing cost of production, and that the inevitable result must be to augment the burden of all debts and fixed charges, to discovered the contemplation of the production of the prod

be to augment the burden of all debts and fixed charges, to discourage investments and enterprise, and to undermine the productive forces of the countries where it prevails. And they affirm that if these things are so, the evil is so tremendous and pressing as to call for some immediate remedial action.

Now, sir, in order to proceed intelligibly along the line of argument I have laid out for myself, it becomes necessary to get a clear conception of certain words used in the terminology of this discussion. Standard and unit are examples, occurring in the expressions "standard of value" and "unit of value." By the Century Dictionary standard is defined as "a weight, measure, or instrument by comparison with which the accuracy of others is determined;" and unit as "any standard quantity by the repetition and subdivision of which any other quantity of the same kind is measured." Thus by the expressions referred to the mind is centered on the thought of weight, dimension, and quantity, and thus some persons are led by the expressions referred to the mind is centered on the thought of weight, dimension, and quantity, and thus some persons are led to the notion that a "dollar," or "pound sterling," or "franc" means something as absolute and definite as to value as "ton," "yard," and "quart" are as to weight, length, and capacity. But value is neither "so heavy," "so long," or "of such-and-such contents." You can not see it. Value is nothing absolute. Value is a relation. It is the ratio at which one thing exchanges for another. One thing may be worth as much as another thing, more than another thing, or less than another thing; that is, of equal, greater, or less value. But it takes two things to express value; one is compared with the other. And the relation between exchanged commodities is perfectly reciprocal. When I pay \$100 for a horse, as in the illustration used by the gentleman from Virginia [Mr. Tucker] the other day, the horse buys the \$100 just as certainly as the \$100 buys the horse; and if it be true to say that horses are high if they cost \$150, it is equally true to say that money is high when you have to give two horses for \$100. [Applause.]

equally true to say that money is high when you have to give two horses for \$100. [Applause.]

Gentlemen here have much to say of "intrinsic value," and declare their willingness to vote for bimetallism when somebody shall show them how to make a gold dollar and a silver dollar equal in "intrinsic value." I should like to hear some of these gentlemen define "intrinsic value." They confuse, it seems to me, the meaning of value and utility. Things may possess qualities that make them useful, and hence will have utility, but the measure of their value is what they will exchange for. You pick up a piece of iron. It is useful for many purposes; but you can not tell how much it is worth, that is to say, what its value is, until you find what you can get for it. Value in exchange is the only value with which political economy has to deal.

for it. Value in exchange is the only value with which political economy has to deal.

Originally exchange was by barter. Commodities were traded one for another. The cost of production and the relation of supply and demand regulated the ratios at which they mutually interchanged. Convenience necessitated the selection of some common medium into which all commodities could be converted, and with which any of them could be procured. This medium was money,

and its invention marked an advance of inconceivable importance in the development of society. Gold and silver, by reason of their special fitness, finally displaced all other things in the performance of this function. As a consequence the demand for them for money purposes, being equal to the sum total of the values of all commodities seeking to be exchanged, became so vastly more important than the demand for them for any other purpose that cost of production ceased to be a large factor in determining their value as expressed in commodities, but that value practically became the ratio between all the goods seeking exchange and the quantity of gold and silver in existence to perform the exchanges. Men carried about with them acid to test the purity of the metals and scales for weighing out the requisite amounts of them called for by numerous and various transactions. The exchange relation between a certain unit number of grains of gold or of silver and a given commodity being once determined, there was established in the minds of those who came to market the idea of its value, which, when expressed in terms of money, was its price; but when for any reason the number of grains of metal out of which those units could be formed grew greater or grew less, other conditions remaining unchanged, then the value of those grains of gold or silver—that is, their power to command the products which were there to be exchanged for them—became relatively smaller or greater, and prices rose or fell accordingly. And no change was made in this principle when society began to put its no change was made in this principle when society began to put its stamp upon those grains of gold or silver to show authoritatively the quantity and fineness of the metal. After the coin is stamped, whatever may be its name, what it is worth depends, at any given time, upon what it will buy; in other words, upon what is required to buy it. Commodity demand and supply remaining constant, an increase or decrease of the substance out of which the coins are made must correspondingly lower or raise the power of each coin;

must raise or lower prices.

These observations, which seem to me to be conformable to reason, and in precise accord with what history teaches us, are sustained by practically all economists of recognized authority. The following citations will illustrate. Said Adam Smith, the father of English

political economy:

Gold and silver, however, like every other commodity, vary in their value, are sometimes cheaper and sometimes dearer, sometimes of easier and sometimes of more difficult purchase. * * * The discovery of the mines of America diminished the value of gold and silver in Europe.—Wealth of Nations. Worthington ed., pages 24 and 26.

John Locke, the great philosopher, in his treatise on The Value of Money, said:

Money, said:

By which means it comes to pass that the intrinsic value (of gold and silver)

* * is nothing but the quantity which men give or receive of them. For
they having, as money, no other value but as pledges to precure what one wants
or desires, and they procuring what we want or desire only by their quantity, it
is evident that the intrinsic value of silver and gold used in commerce is nothing
but their quantity.—Principles of Political Economy, by McColloch, and Essay on
Interest and Value of Money, by John Locke, edition of Ward, Lock & Co., page
233.

The same writer declares in another place (Works, Volume V. page 49):

For the value of money in general is the quantity of all the money in the world in proportion to all the trade.

In his Principles of Political Economy (Appleton edition, 1880, Volume II, pages 26-30), John Stuart Mill declares:

The value or purchasing power of money depends * ° * on demand and supply. * * * Money is bought and sold like other things, whenever other things are bought and sold for money. * ° The supply of money ° is all the money in circulation at the time. * * If the whole money in circulation was doubled, prices would be doubled. * * If there were less money in the hands of the community, and the same amount of goods to be sold, less money altogether would be given for them, and they would be sold at lower prices.

Robert Giffen, the ablest champion of the gold monometallists, holds this language in his Chapter on Standard Money:

In this sense, to say that the quantity of money regulates prices is only the same thing as to say of any article that is bought or sold, that its quantity is a material factor in determining its value.—Case Against Bimetallism page 218.

It is no answer to the quantitative argument to show, as some do, that the per capita circulation in Turkey is only a small proportion of that in France and that prices in the two countries are not widely variant. Money is a world substance and adjusts itself to the amount of business, and the method of doing it, in each country. Let the person smitten with this Turko-Frankish fancy answer the question whether, demand for goods remaining unchanged, prices would alter if suddenly the amount of money in each country were multiplied by ten. To answer "no" would be foolish, and to answer "yes" is to kill his argument.

Thus, sir, attention is strongly drawn to the function of money as a measure of value. Nearly all who discuss this general subject from the standpoint of the gold monometallist treat of money almost wholly as a medium of exchange only; but they miss entirely the philosophy of the question. The inequity and cruelty of the single gold standard lie principally in its operation as a measure of values and criterion of deferred payments.

I find, Mr. Chairman, that my time has flown away almost unob-

Mr. HARTMAN. Mr. Chairman, I ask unanimous consent of the House that the time of the gentleman from Minnesota be extended for twenty minutes. He is making one of the ablest arguments that has been presented to this House, and I ask that his time be extended.

Mr. WILLIAMS. I second the request.

A MEMBER. Make it thirty minutes. Let him finish his argu-

Mr. HARTMAN. Then I ask unanimous consent that the gentleman's time be extended for thirty minutes in addition to the ten minutes which he has remaining.

There was no objection.

There was no objection.

Mr. TOWNE. Mr. Chairman and gentlemen, I am under very great obligation for your kindness. I will endeavor to requite it in the directness and closeness of my remarks.

Now, Mr. Chairman, after this somewhat inadequate and very hasty examination of the way in which value arises, and of the way in which price arises, price being simply the value of an article reckoned in money, and a comparison of the worth of the maticle in the pair of money with the worth of the article against cle reckoned in money, and a comparison of the worth of the material in the unit of money with the worth of the article against which it is exchanged. I come to the proposition which is made by those who are opposed to the single gold standard.

That proposition is that there has been and is going on an appre-

ciation—that is to say, a rise in value—in this standard of gold which the major portion of the commercial nations of the world has adopted; in other words, sir, it is affirmed that the quantity of all commodities, on the average, required to buy a given number of grains of gold has been and is increasing, and that from that fact there follows a train of woes from which the world has been suffering in an increasing measure ever since the mistake was made, in 1873, and thereabouts, of going to that standard. How shall we ascertain whether there has been this rise in value? There is only one way, and that is to examine the general price level of commodities. When one thing is used as a common denominator of all other things, to tell whether it rises or falls you must look at the average level of those other things and find whether they fall or rise, for the relations of the two recentricity and processarily received. tions of the two are entirely and necessarily reciprocal.

Now, sir, a general law of this kind—and I ask the attention of

the House to this proposition—a general law of this kind as to the course of prices is determinable only by a very broad generalization from observed facts. The commercial world is a complex one. The causes that affect the rise and fall, the demand and supply, and The causes that affect the rise and fall, the demand and supply, and the cost of production of the infinite variety of articles that make up the modern market are difficult of investigation. A rise in the price of one commodity may accompany a fall in the price of another; as was shown by the gentleman from North Dakota [Mr. Johnson] the other day, who told us, as I remember, that there was a time when hay went up as wheat and corn went down; though what that fact scientifically signified is hidden in the inner consciousness of brother Johnson. [Laughter.] I mean no disrespect, for I know the gentleman from North Dakota as a scholarly man of distinguished ability and entire honesty in his opinions. But, I say that when you undertake to deduce a general law from the course, up and down, of two or three articles for two or three years, you are proceeding absolutely outside of the approved method of science, and a generalization of that kind has no value whatever.

But, Mr. Chairman, the scientific world has determined a way of

But, Mr. Chairman, the scientific world has determined a way of investigating the general course of prices. It proceeds upon the selection of a large number of commodities of such character as to indicate the essential condition of the market, and extends over a number of years. Thus special causes, whether of time or of prodnumber of years. Thus special causes, whether of time of of product, are largely neutralized and general results are obtained having value as indicative of the underlying law controlling the movement of prices. This method of inquiry is by means of a system of "index numbers." Thus, the price of each commodity chosen is averaged for a cortain number of years, and that average is called 100. If, as is done by the London Economist rewayaper, 22 com-100. If, as is done by the London Economist newspaper, 22 commodities be used, the sum of these averages is, of course, 2,200. Then for any other year with which comparison is sought, the price of each commodity is ascertained and is set down at so many points above or below 100, according to the percentage of its rise or fall, as the case may be. These are then added and if the total exceed \$2,200 prices are higher than in the years used as the standard; if the total is loss than 2,200 prices are lower. By dividing the total by the number of commodities an expression is obtained on the scale of 100, which is conveniently used in investigation. Under normal conditions various causes make temporary fluctuations the prices of different commodities, some rising and others falling in the prices of different commodities, somerising and others falling in the same period, without special significance. But when, after allowing for all such variations and offsets, general prices—the average of the whole market—have fallen, then the conclusion is unavoidable that some general cause has operated on all alike; and, as we have seen, such a fall would mean an increase in the measure of values, a dollar that had grown larger and which would require

more of all commodities to buy it.

The authoritative figures for Germany are those of Dr. Adolf Seetbeer, a famous economic writer, as continued by Heins, statistician for Hamburg. They take as 100, or the par for comparison, the average prices from 1847 to 1850 of 100 articles in the Hamburg market and 14 of British export. In England twe sets of data enjoy great repute—those of the London Economist and, especially,

those of Augustus Sauerbeck, of the London Statistical Society. The former are based on the prices of 22 leading commodities in the London market, using the average prices of 1845 to 1850 as 100. Mr. Sauerbeck's tables use as the par of comparison the average prices of 45 representative commodities on the Lendon market for the years 1867 to 1877. In the United States no such scientific and exhaustive study of this subject has been made as in Germany and England. Practically, the only attempt in this direction was that undertaken in 1891 by a committee of the United States Senate, and whose results are embedied in the voluminous report which is customarily cited as the "Aldrich Report," after Senator Aldrich, of Rhede Island, who was chairman of the committee.

Rhode Island, who was chairman of the committee.

This document deals with the prices of 223 articles, and uses as its par or 100 mark the prices of 1860. Although hastily compiled and based on the prices of only one year, and that year one of exceptionally low prices, and although allowing the same influence to a mass of nonstaple and unimportant articles as to the controlling and significant commodities, and notwithstanding that the operation of our protective tariff, by keeping out foreign competition and by stimulating home consumption, has tended during all the period covered by the report to maintain prices above the European level and to withstand to the utmost the influence tending to lower them, yet the results of that investigation are among the most instructive that we have. They confirm in a most emphatic way the lesson that primary money is a world substance, like the atmosphere, and that primary money is a world substance, like the atmosphere, and that the law of an appreciating standard and measure of values is as inexorable as fate. Ingenuity may for a time postpone the catastrophe or mitigate the hardships that signal its approach, but the end is inevitable and a common rain waits on all nations that mistakenly submit themselves to the control of such a system.

By Dr. Soetbeer's tables it appears that prices in Germany fell about 22 per cent from 1873 to 1891. Since 1891 the fall there, as elsewhere in Europe, has been very much more than in the same proportion, unquestionably exceeding 30 per cent by 1895. This means that the purchasing power of gold in Germany has increased more than 40 per cent since 1872.

In England, by the Economist tables, the fall of prices from 1873

to 1863 was 30 per cent; and the last two years have witnessed a much greater fall in proportion, showing an increase in the purchasing power of gold to have been at least 45 per cent from 1873

to 1895.

I give here the very careful and reliable figures of Mr. Sauerbeck, from 1818 to 1875. His standard, it will be recalled, is the average prices in London of forty-five principal commodities for the period 1867-1877, which is also the average for 1853-1877. The arrangement below is by continuous ten-year periods, thus equalizing merely temporary fluctuations and clearly showing the law controlling the fall of prices:

Ten-year periods and average index number.

1818-27	111	1842-51 8	33	1866-75	101
1819-28	106	1843-52 8	32	1867-76	101
1820-29		1844-53 8	33	1868-77	100
1821-30	101	1845-54 8	35	1869-78	99
1822-31	100	1846-55 8	36	1870-79	97
1823-32	98		88	1871-80	96
1824-33	97	1848-57 8	89	1872-81	95
1825-34	96		00	1873-82	93
1826-35	93	1850-59 9	92	1874-83	90
1827-36	93	1851-60 9	14	1875-84	87.
1828-37	93	1852-61 9	96	1876-85	85
1829-38	93		99	1877-86	82
1830-39	94	1854-63 10	00	1878-87	79
1831-40	95	1855-64	00	1879-88	78
1832-41	96	1856-65 10	00	1880-89	76
1833-42	96	1857-66 10	00	1881-90	75
1834-43	96		90	1882-91	74
1835-44	95		00	1883-92	72
1836-45	95		01	1884-93	71
1837-46	93	1861-70 10	00	1885-94	69
1838-47			00	Year 1894	63
1839-48	91	1863-72 16	01	February, 1895	60
1840-49	88	1864-73 10	02	Year 1873	111
1841-50	86	1865-74	02		

Thus, by these authoritative data, prices fell in England, between 1873 and February of 1895, 46 per cent. In other words, the purchasing power of gold rose more than 85 per cent. Even comparing the 1895 prices with the average of 1864-1873, the fall has been more than 40 per cent. than 41 per cent, and the increase in the power of gold more than 69 per cent.

These results, as well as others to which I shall later advert, are impressively represented by the charts to which I will ask the attention of the House. [At this point a large chart, A and B, was placed before the Clerk's desk.]

[For Charts A and B see page 91.]

The CHAIRMAN. The Chair suggests that if gentlemen will retain their seats a better view of the chart or diagram can be

obtained by members generally.

Mr. TOWNE. I think the chart will be quite visible from every part of the House. After the speech of the gentleman from North Dakota the other day, I happened to think of my charts at home, so I sent for them and they arrived here about an hour ago. [Ap-

Now, gentlemen, I call your attention to the fact that the lines of

CHART A. APPRECIATION OF GOLD

Measured by its Perchasing Power to The Basis Of The Economist Index Numbers (England 22 Commodities

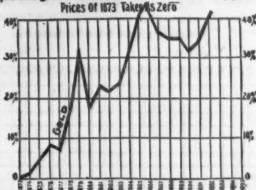
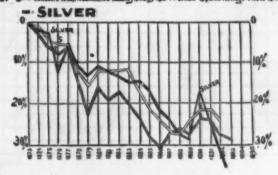


CHART B.

Fluctuation In The Price of Silver & Commodities Measured by Gold

Prices of 1873 E- Economical lader Numbers, Wholesale Prices, 22 Principal Commodition, London Market, Florengia Prices 1845-1850 Takes for 180 Taken As Zero. S= Southern Index Numbers, 100 Haubery Articles Apo 14 British Experts Average Prices 1847-1850 Taken As 1800



the two halves of the chart are continuous. Really these are two diagrams representing one idea. They indicate the reciprocal relation of the prices of commodities and the price of gold. For example, starting with 1873 as the zero point, the upper chart shows how gold has with few exceptions gone constantly up until it climbs off at the top of the chart [laughter], and how the prices of commodities and of silver have, as a necessary and reciprocal fact connected with the rise of gold, gone relatively down since 1872 in the percentages indicated in my remarks. Upon the lower chart you will find the course of prices as shown by the Economist index numbers upon the London market indicated by the line marked E; the line showing the course of prices in the German market is indicated by the letter 8, standing for Soetbeer; and the course of silver is shown by the heavy black line. the two halves of the chart are continuous. Really these are two heavy black line.

heavy black line.

Asking you to bear in mind, as before stated, that no general law in economics can be learned except by studying broad and large results over considerable periods of time, I ask you to note how beautifully this chart exemplifies to the eye the effects of the rise of gold. The line of gold is not uniform, but its general direction is upward. The lines of silver and commodities are not entirely regular, but their general tendency is downward. The correspondence between the values of commodities and silver is very remarkable and ought to be very interesting to gentlemen who dony the appreciation of gold and declare that there is no parallel between the prices of commodities in general and silver. You will notice that in 1890, for example, there was a sudden rise of silver and of these commodities. Naturally silver rose in a more pronounced degree than the other commodities, because in that year there was pending in Congress a proposition to rehabilitate the white metal and make it as good as gold. [Applause.] As soon as there was a likelihood of the restoration of its full money functions, it began to mount toward the point of parity, and as a necessary consequence gold began to fall. [Applause.]

Mr. FOWLER. Will the gentleman allow me to ask him if he has a line on his chart to show the rise and fall of wages at that time t

Mr. TOWNE. Oh, I will come to the wage question later on. Mr. BRUMM. That was the year, was it not, when wheat was so high, as was shown by our friend the other day?

Mr. TOWNE. I believe so. Everything naturally rose at that

[For Chart C see page 92.]

Chart C exhibits upon one diagram the course of prices in England as shown by the Economist and Sauerbeck tables, and in the United States as shown by the Aldrich report already referred to. The prices are in gold, of course. The United States prices are shown in the heavy dark lines marked A, and the two Fuglish lines are indicated by their appropriate letters. The general correspondence of the three is very striking. American prices started higher than English prices and have remained so. The action of our protective tariff in stimulating production, restricting competition very largely to our own producers and upon our own standard of living, and keeping our own markets for those producers, has justified the and keeping our own markets for those producers, has justified the policy of its advocates, of whom I claim to be as faithful as any; but it has not availed to withstand the constricting influence of the gold standard, whose sway is as "broad and general as the air." Prizes had fallen in the United States about 28 per cent by 1891, and by 1895 the fall was certainly 33\frac{1}{2} per cent or more, so that the purchasing power of gold in this country is fully 50 per cent greater than it was in 1879.73

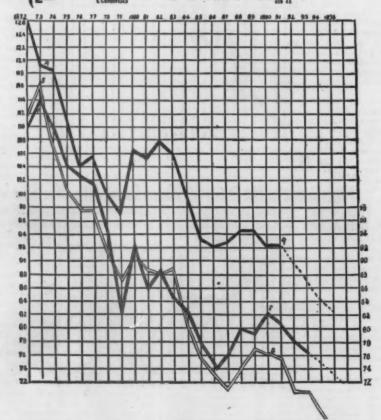
than it was in 1872-73.

In this connection, I append the following extracts from The American, of Philadelphia, edited by Mr. Wharton Barker, whom I regard as without exception the ablest writer on economics in the periodical literature of the United States.

The first is from the number of January 25, 1896:

The fluctuations in prices since January 1, 1891, are of much interest. The figures representing the index numbers may be considered to represent the number of dellars that it would require to purchase at various dates the same quantity of goods as \$100 on January 1, 1891. Thus, \$59.59 would buy the same amount of the six breadstuffs—wheat, corn, oats, barley, rye, and flour in equal proportions—as \$100 January 1, 1891.

CHART C.



Summary of index numbers.

	Silver.	Bread- stuffs, 6 articles.	Live stock, 4.	Provisions, 24 articles.	Hides and leather, 4 articles.	tured tex-	Metals, 12 articles.	Coal and coke, 4 articles.	Mineral and vegetable oils, 7 articles.	Naval stores, 3 articles.	Building materi- als, 7 articles.	Chemicals, 11 articles.	Miscella- neous, 7 articles.	General index number, 100 articles.
1801.	***										444	100	100	100
Jan. 1	100 04, 25 08, 21 93, 42	100 118. 31 103. 90 97. 94	100 116. 98 110. 38 112. 40	100 105, 34 100, 40 98, 09	100 100, 52 98, 26 96, 62	96, 57 96, 60 96, 25	92. 84 95. 22 90. 10	100 98. 05 99. 89 102, 10	99, 34 94, 76 87, 18	100 110, 60 111, 61 104, 41	97, 37 95, 24 87, 88	98.70 90.69 89.35	100, 38 100, 56 89, 03	101. 90 98. 20 94. 71
Jan. 1	91, 02 83, 83 84, 51 79, 76	97.17 89.45 92.58 82.77	104, 35 110, 13 113, 53 104, 88	95, 08 97, 96 97, 56 104, 24	94. 13 91. 60 95. 28 94. 32	96, 15 96, 20 97, 50 95, 89	89. 01 84. 02 81. 99 81. 93	98, 19 99, 77 100, 02 103, 46	83, 82 83, 17 81, 42 84, 38	94. 19 104. 42 88. 57 84. 17	90. 86 92. 81 89. 53 90. 02	88. 31 85. 64 87. 03 88. 04	93. 93 91. 31 99. 53 95. 82	93, 12 92, 87 92, 88 93, 00
1800.														
Jan. 1	79, 53 80 69, 94 71, 62	80. 59 79. 99 73. 62 74. 82	119.68 125, 28 110.01 108.34	113. 45 115. 84 109. 32 107. 34	93, 47 95, 28 92, 76 90, 44	105. 41 102. 92 90. 62 84. 41	80. 24 81. 26 77. 09 74. 16	103.94 97.72 94.43 92.41	92, 10 98, 23 90, 81 90, 19	81. 24 81. 99 79. 63 77. 11	90. 57 87. 91 85. 34 83. 71	90, 05 92, 74 89, 69 89, 52	104. 70 109. 29 100. 60 100. 42	98. 42 99. 75 93. 35 91. 45
1894.						,								
Jan. 1	65, 87 58, 21 60, 50 60, 84	68, 46 70, 38 74, 32 60, 08	101. 33 07. 78 02. 42 101. 57	97, 45 92, 97 93, 70 97, 68	80, 28 89, 90 83, 57 86, 38	96, 80 70, 49 78, 31 74, 32	67, 93 66, 11 66, 13 64, 25	89, 77 85, 98 83, 11 79, 82	90, 89 92, 09 92, 86 90, 46	75. 87 77. 34 89. 39 81. 64	86. 33 80. 05 78. 71 75. 12	88, 18 89, 25 85, 96 79, 89	97. 03 90. 76 91. 45 82. 89	87. 56 84. 76 84. 46 82. 8
1805.					-								40	
Jan. 1	87, 51 64, 67 68, 95 64, 31	70, 58 72, 45 75, 83 62, 53	84. 88 104. 41 100. 54 70. 54	91. 79 97. 31 98. 59 86. 56	90. 19 96. 48 131. 99 132. 36	60. 18 60. 68 74. 53 81. 48	58, 99 60, 26 60, 10 75, 82	78, 33 79, 34 81, 53 89, 36	91. 23 100. 26 108. 18 102. 85	76, 32 85, 65 87, 85 88, 10	81. 84 79. 05 80, 68 82. 40	77. 76 76. 77 76. 38 77. 95	79. 62 74. 51 81. 87 86. 68	79. 74 82. 56 86. 00 84. 8
1806. Jan. 1	60.95	50.50	73. 83	85, 98	107.07	79, 96	67.43	96.97	108, 22	81. 19	87.40	96. 27	91.14	85. 2

These index numbers give much food for thought. In the first place, the general index number shows that while prices in general are 6 per cent higher than on the lat of January a year ago, they are 14.72 per cent lower than five years ago. It is also obvious that this index number does not indicate the full extent of the fall in prices, as, leaving out the advance in the prices of mineral and vegetable oils and of chemicals and some other comparatively unimportant commodities, the index number would be much lower. It is an instance where a fall in the price of the most important articles is offset to some extent by a rise in the price of less important.

The marked and continuous fall in breadstuffs which is quite equal to the fall in silver is especially noteworthy. While general prices have fallen less than 15 per cent as compared to prices ruling January 1, 1891, breadstuffs have fallen over 40 per cent. This fall is not due to overproduction, for the increase of production has not kept pace with the increase of population, and it can not be accounted for by the chespening of production, because, as we pointed out last week, there has been little improvement in agricultural methods during the past five years, has been little improvement in agricultural methods during the past five years, has been little improvement in agricultural methods during the past five years, has been further than the products of the factory. The coincident fall between breadstuffs and silver is evidence that with the depreciation of silver our aliver compotitors can lay down grain in Europe at proportionately lower rates.

The second is from the American of January 18, 1896:

The second is from the American of January 18, 1896:

For the fact that agricultural products have fallen much more rapidly than manufactured articles, there is only one explanation, and that is, our agricultural products were the first to come into direct competition with the products of silver-using countries. The appreciation of gold, of the money which silver-using peoples receive in payment for what they sell to gold-using peoples, and which they can exchange for double the amount of silver that they could twenty years ago has greatly encouraged production and atimulated exports from silver to gold using countries. To increase the area devoted to raising wheat and cotton was the work of a season; gathering experience and knowledge and building the factories to make manufactured goods the work of a decade or more. The result is that, while our farmers and planters have suffered from the competition of silverning countries for years, our manufacturers are only now beginning to feel Asiatic competition. This is the explanation of the fall in prices that has been more marked in agricultural than manufacturing articles.

The enormous fall of prices in the gold-standard world I have proved. Gentlemen in this debate may hereafter seek some other explanation for the fact than that which I offer as chiefly accounting for it; but nobody will deny the fact. It is an open and notorious fact whose significance, if preponderantly due to the single gold standard, challenges the intellect, the conscience, and the patriotism of this nation. [Applause.] Contrast it for a moment with this: The purchasing power of silver in silver-using countries is to-day almost the same as in 1873. Consul Wetmore, at Shanghai, shows this by the following index numbers based on twenty staple commodities on the Chinese markets: commodities on the Chinese markets:

Year.	Aggregate value of 20 com- modities, in silver.	Silver value of gold.	Year.	Aggregate value of 20 com- modities, in silver.	Silver value of gold.
1873 1874 1875	2,600 1,814 1,787 1,930	2,000 2,029 2,078 2,160	1883 1884 1885	1, 916 1, 883 1, 854 1, 858	2, 336 2, 376 2, 425
1877 1878 1879	2, 031 2, 102 2, 023	2, 150 2, 215 2, 301	1887 1888 1889	1,774 1,761 1,803	2, 571 2, 648 2, 730 2, 746
1881 1882	1, 925 1, 940 1, 986	2, 275 2, 322 2, 307	1890 1891 1892	1, 808 1, 748 1, 761	2, 539 2, 621 2, 950

And the royal commission of 1888 declared that the purchasing

And the royal commission of 1888 declared that the purchasing power of silver in India had not fallen.

Sir, there is ample reason why prices began falling about the year 1873 and have kept falling with more or less regularity ever since. Down to that period gold and silver shared together the functions of ultimate money among the great commercial nations of the world. Together they formed one vast money reservoir, whose aggregated contents measured all exchange values and constituted the ultimate of the presentative and credit more. Englands gregated contents measured all exchange values and constituted the ultimate solution of all representative and credit money. England's action in going upon the gold standard in 1816 had not impaired this relation, but the sudden and nearly contemporaneous adoption of that standard about 1873 by several leading governments, followed at frequent intervals by others, made a sudden and tremendous lessening of the mint demand for silver, and threw upon the volume of gold the double burden of sustaining the credits and the redemnition functions forwards have been by both metals in inthem. This volume of gold the double burden of sustaining the credits and the redemption functions formerly borne by both metals jointly. This added enormously to the strain upon gold, rendering it relatively scarcer and more difficult to obtain, increasing almost beyond conception the demand for it, while its supply did not materially alter. The inevitable result was to raise the value of gold, to make it constantly necessary to give more and more of all commodities, on the average, to get gold. The full effect was not felt all at once in 1873. The steps in the process were progressive, and the effects were correspondingly so. Prices began falling with the cause, and have fallen and are falling as the cause continues and intensifies. The following is a fairly good statement of these successive stages in the process of squeezing the expanding energies of the nineteenth century down to the narrowing measure of the gold standard:

1872. Norway and Sweden substitute the gold standard for the silver standard.

1873. The United States, while on a paper basis and looking longingly toward resumption of specie payments, adopts the gold standard, although silver at the time is worth more in the market than gold, and although there has been no public demand for such action, the people and nearly every man in public life being ignorant of the real scope and object of the act, no amendment to which striking the standard silver dollar from our coinage can to this day be found of record. Thus on resuming specie payments in 1879 we became an aggressive scrambler for a share of the gold in the world, which was now becoming more and more the object of the eager pursuit of nations. Between 1877 and 1879 we absorbed over \$560,000,000 of gold, as against about \$55,000,000 in the preceding eleven years.

1873. Germany changes from the silver standard to the single gold standard; making a great demand for gold, so that by May, 1881, she had coined over \$414,000,000 worth of it, and throwing upon the market for sale as bullion large masses of her worn and demone-tized silver coin, selling, by 1879, more than seven million one hun-dred thousand pounds weight of fine silver.

1873. Belgian Parliament authorizes the Government to suspend the free coinage of silver.

1873-1874. France and the Latin Union (Italy, Switzerland, Belgium, and Greece, besides France) suspend the free coinage of silver, and France substitutes the gold standard for the double standard.

1875. Holland formally demonetizes silver, having suspended its free coinage in 1873, and adopts the single gold standard for herself and her East India colonies.

1873-1875. The Bank of France retires \$350,000,000 worth of paper

and adds greatly to its gold reserve.

1878. The United States enacts the Bland law, compelling the Government to purchase from \$2,000,000 to \$4,000,000 worth of silver monthly, but to add it to the money stock not as primary money, but, under the construction placed on it by our Government, virtually as a token coinage measurable in gold, thus increasing enormously the strain on gold. This law, moreover, completely nullified the main principle of bimetallism, which depends upon the right of the debtor to elect in which metal he will pay, by enacting that silver should be legal tender except where otherwise provided in the contract. This gave the creditor the determination of the metal of payment and virtually completed the demonetization of silver.

1879. The United States resumes specie payments and on a single

metal, gold.

1879. Austria-Hungary suspends the free coinage of silver.
1883. Italy resumes specie payments on a gold basis, and borrows
\$86,000,000 in gold to do it with.

1890. The United States passes the Sherman silver purchase law,

continuing the vicious principle of the Bland Act.
1890-1892. The Imperial Bank of Russia increases its gold reserve

by \$120,000,000, and begins a policy of hoarding gold, which has gone on ever since.
1891-1892. Austria-Hungary adopts the gold standard and becomes

a borrower of gold to an enormous amount.

1892. Roumania adopts the gold standard.
1893. India closes her mints to the coinage of silver.

1894-1895. Chile and Brazil adopt the single gold standard and join the ever fiercer struggle for the lessening supply of real money.

1895. February. The United States begins the unhappy and hu-

miliating procedure, apparently become chronic if we are to preserve

miliating procedure, apparently become chronic if we are to preserve the single gold standard, of borrowing millions in times of peace wherewith to pay tribute to the despotism of gold.

Why will gentlemen persist in shutting their eyes to the plainest evidence? The great fall of prices in the gold-standard world since 1873 is as indisputable as any physical fact in nature, and that it is chiefly due to the appreciation of gold seems to me as conclusively established as the law of gravitation. In England, where the gold standard was born and where its operation is to fill her creditor coffers with uncarned increments of the wealth of all debtor countries, no mystery is made of it. Thus simply does Mr. Giffen, her greatest monometallist, dispose of it in his "Case against bimetallism." pages 218-219: lism," pages 218-219:

If we were told that copper or iron or wheat were rising because there was a deficiency of the supply of them to meet all the demands we should accept the statement as a matter of course. But what is true of copper or iron or wheat must equally be true of any commodity which happens to be the standard monstary substance. If gold or silver is that substance, and gold or silver is increasing in demand without any corresponding increase in supply, then people who want gold or silver for any purpose must give more for them. And this—

will be described as a fall of prices. * * * We see, then, how widely mistaken those monometallists have been, who, in their dislike of bimetallism, have denied that the recent—

He is writing in 1890-

great demand for gold in relation to its supply were likely to have caused a rise in its exchange value for other things. Looked at in this way, the fall of prices is itself a proof that gold, in relation to all the demands for it, has been relatively scarcer than it was. Everybody who has wanted it has had to give more for it. If everybody who wanted coal or pig iron was giving more for it than before, we should not heaitate to say that coal or pig iron were relatively more in demand than they had been; but what we should say of coal and pig iron we must also say of gold or silver in a like case.

Moreover, so clearly are the observed effects of the gold standard conformable to the conomic law I have tried to state, that they have been foretold at different times by men learned in the science. Many years ago, before the nations had become crazed by the misunderstood example of England and had not so generally gone to work to subdue the world to a money bondage, Jevons wrote as follows:

I am far from denying that if the Italian Government decide to carry into effect M. Luszatti's threat of buying gold at all hazards, and if the like course be taken by the United States and France, not to speak of Germany, there might be considerable disturbance of values for the time. But is it likely that such proceedings will be taken by rational statesmen and rational parliaments? It is really too absurd to suppose that any country will insist upon having a gold currency at any cost.

Alas! for the fallibility of genius. Even Jevons could not foresee that so many parliaments would prove irrational and that great countries should be so smitten of the gold standard he advocated as to pay their lifeblood for it.

But no prophecy of economic effects from observed causes has probably ever been made so unique and startling in its insight and accuracy as that of Ernest Seyd, the famous bimetallist, who in 1871 wrote: "It is a great mistake to suppose that the adoption of the gold valuation by other states besides England will be beneficial. It will only lead to the destruction of the monetary equilibrium hitherto existing, and cause a fall in the value of silver, from which England's trade and the Indian silver valuation will suffer more than all other interests, grievous as the general decline of prosperity all over the world will be. The strong doctrinism existing in England as regards the gold valuation is so blind that when the time of depression sets in there will be this special feature, the economical authorities of the country will refuse to listen to the cause here foreshadowed; every possible attempt will be made to prove that the decline of commerce is due to all sorts of causes and irreconcilable matters. The workman and his strikes will be the first convenient target; then speculation and overtrading will have their turn. Later on, when foreign nations, unable to pay in silver, have recourse to protection, when a number of other secondary causes develop themselves, then many would-be wise men will have the opportunity of pointing to specific reasons which in their eyes account for the falling off in every branch of trade. Many other allegations will be made, totally irrelevant to the main issue, but satisfactory to the meralizing tendency of financial writers. The great danger of the time will then be that among all this confusion and strife England's supremacy in commerce and manufactures may go backward to an extent which can not be redressed when the real cause becomes recognized and the natural remedy is applied."

Nothing could better show on what just philosophical principles bimetallism rests than this picture in 1871 of events to begin with demonetization in 1873 and continue until now and as much longer as we shall permit. If the test of science is prediction and verification, surely the evils of gold monometallism are scientifically

condemned.

Just before the monetary conference at Brussels in 1892 the late
Dr. Soetbeer, the eminent German philosopher, wrote, foretelling, the
entaclysm of the year 1893 and subsequent ovils:

I fear that if the English Government, on the occasion of the forthcoming International Monetary Conference, should refuse to submit or support practicable propositions destined to extend considerably the use of silver as legal tender, there will probably result a further incalculable depreciation in the value of the metal and a very serious appreciation of gold, followed by disastrous consequences.

Yet, sir, men will persist in referring the fall of prices since 1873 to the multiplication of inventions and to cheapened cost of production. It is no impugnment of my argument to admit that this may account for a relatively small proportion of the fall. But, sir, it is a very small proportion. Between 1850 and 1873 prices gradually and generally rose, a fact nobedy will dispute; and yet I assert with perfect confidence that between those dates greater improvements in productive processes, compared with the condition at the beginning of the period, were made than between 1873 and the present time.

Gentlemen can not have forgotten the marvelous mechanical exhibit at the Centennial Exposition, practically all of which related to the period in question. In 1876 Harper & Bros. published a monumental work called First Century of the Republic, summarizing the course of progress in this country. It covered practically every department of activity, and was written by a carefully selected body of specialists. I quote from the preface, which is dated July 20, 1876:

An unusually large amount of space was given to the department of mechanical progress, but not disproportionately, when it is considered how characteristic of the century has been the advance in this field and how largely other progress has depended upon it. The same consideration justifies the claborate and extended trustise on scientific progress.

By far the greatest amount of this accomplishment belongs, so far as its commercial and productive aspect is concerned, to the period from about 1850. By that time the steam engine had been perfected; the old Newcomen engine of 1760 with a "duty" of 5,500,000 footpounds per one bushel of Welsh coal had developed into the improved Cornish engine of 1850 with a "duty" of 60,000,000 foot-pounds;

the factory system had come into systematic operation—the greatest revolution in production in the history of industry; so that when England, about 1850, changed the tariff policy under which she had grown great, and started out to impose free trade upon the world, it is estimated that her labor-saving machinery represented the capacity of 450,000,000 pairs of human hands.

Inagriculture the period in question saw the perfection of the plow, the seeding machine, the grain drill, and the mowing machine. The first successful reaper was McCormick's, invented in 1834, improved in 1847, and first attracting general attention at the London World's Fair of 1851, where it took the gold medal, and from which time it came rapidly into use. Between 1851 and 1876 nearly 3,000 patents were taken out in this country alone for harvesters and their attachments. The thrashing machine was brought to perfection in 1853. The self-binder belongs to a later period, but its effect and that of improvements on the inventions named had nothing like the significance for agriculture which the devices that came in from 1850 to 1873 had. To this period also belongs the beginning of scientific agriculture and the use of imported and manufactured fertilizers on a large scale, the systematic and general breeding of eattle, horses, and sheep, and the inauguration and considerable development of the cheeper factory avatem.

agriculture and the use of imported and manufactured fertilizers on a large scale, the systematic and general breeding of cattle, horses, and sheep, and the inauguration and considerable development of the cheese-factory system.

In manufactures it is sufficient to name the leading processes and machines that had become commercially effective in this period; the cotton gin and spinning jenny, with their principal attachments and improvements; the power loom, calico printing, and color weaving; the hot blast in iron manufacture, perfected by 1845, by which many previously refractory ores were rendered reducible and the cost of smelting was diminished nearly half; the steam hammer, rolling mill, and turning lathe; the Bessemer steel process and the chief improvements in producing and refining iron, the casting, forging, and rolling of the heated metal, and the turning and planing of the cold metal; the jack, the slotting, key-grooving, milling, and shaping machines; the process of assembling, or the making of interhangeable parts of machines, permitting the vastly cheaper manufacture of articles like watches, clocks, and firearms; the sewing machine, dating effectively from about 1850, between when and 1876 about 2,000 patents connected with it were granted in the United States; the pneumatic caisson in engineering, the centrifugal pump, tunneling and drilling machinery, and the use of compressed air in connection with them; scales and elevator machinery, gang and circular saws and sawmill machinery, ent the use of the band saw on a large scale; turning machinery, particularly Blanchard's spoke lathe for turning irregular forms; generally, about the only new departure dating from since that time being the use of the band saw on a large scale; turning machinery, particularly Blanchard's spoke lathe for turning irregular forms; general woodworking machines and knitting machines, the principal kinds of boot and shoe machinery, the fordinary, especially the McKay sewing machine, which, between 1861, when it was perfe

In this connection, remember that there is no branch of industry where production has cheapened in any degree approaching that of the mining of gold in recent years. But cheapened gold mining does not seem to have cheapened gold compared with other commodities, to any alarming extent.

The method of operation and the effect of a changing money standard are not sufficiently understood. Any convenient medium of exchange to which prices had once accommodated themselves would discharge sufficiently well the mere function of a medium of exchange. But when viewed as a measure of the values of all other things it is of the very greatest importance that the money unit remain as nearly unvarying as possible in value over long periods of time. When a man loans another a sum of money he loans a certain quantity of purchasing power, for that is what money is. Now, abselute justice would require that when the lean is repaid it should stand for the same purchasing power as before. But if, meantime, money has depreciated—that is, if prices have risen—the same neminal sum when repaid has less purchasing power than when borrowed and the lender or creditor really receives less than he loaned, the borrower or debtor profiting by the difference. On the other hand, if mency rises in purchasing power between the making of the lean and the repayment, so that the borrower has to find more commodities with which to buy the money to pay back than the money would buy for him when he borrowed it, then he loses the difference and the money lender makes it.

than he loaned, the borrower or debtor profiting by the difference. On the other hand, if money rises in purchasing power between the making of the loan and the repayment, so that the borrower has to find more commodities with which to buy the money to pay back than the money would buy for him when he borrowed it, then he loses the difference and the money lender makes it.

Now, in either case, the changing standard takes something from one man without his deserving to lose it and gives it to another who has no right to it. In either case it is a silent robbery. The ideal standard would preserve the rights of both debtors and creditors. But if a deliberate choice had to be made between a gradually falling and a gradually rising standard, all writers of authority

agree, and it is consonant with common sense that morally, economically, politically, and socially the falling standard would be preferable. Its inevitable losses fall on the creditor, the lender, who can better than the debtor endure its effects, and it encourages

who can better than the debtor endure its effects, and it encourages enterprise; while the certain hardships of the rising standard fall on the borrower, the debtor, the investor, the captain of industry, who can not so well sustain the burden, who has no surplus, but is most frequently wiped from the face of the industrial world by the vanishing of the margin between his property and the automatically enlarging lien upon it.

In the latter case the absolutely unavoidable result must be, if the evil is permitted to run, that all property will eventually belong to those who shall control the ultimate money of the world; and thrift and enterprise, if enterprise and thrift can belong to a race of slaves, would plan and save and toil to further fatten the overfed fatness of their masters. This is no exaggeration of language. It is the speech of truth and soberness. Said Sir Arthur James Balfour, the real head of the present Conservative Government of England, an earnest bimetallist and one of the profoundest thinkers in Europe, in a speech at Manchester, October 27, 1892: thinkers in Europe, in a speech at Manchester, October 27, 1892:

But of all conceivable systems of currency, that system is assuredly the worst which gives you a standard steadily, continuously, indefinitely appreciating, and which, by that vory fact, throws a barden upon every man who desires to promote the agricultural or the industrial resources of the country, and benefits no human being whatever but the owner of fixed debts in gold.

Falling prices of agricultural products deprive the farmer of the means of buying his usual conveniences and necessities, and these accumulate on the hands of the manufacturer and retailer, who in accumulate on the hands of the manufacturer and retailer, who in turn curtail expenses to the uttermost, discharging labor, which then loses its power to consume, and limiting their own consumption to the barest needs. Thus farmer, manufacturer, tradesman, transporter, laborer, all lose patronage and employment, while taxes, interest and principal of mortgages, fixed charges, bonded indebtedness, and rents are constantly and remorselessly measuring off increasing equivalences in all human products. Under such circumstances there is no inducement to enterprise or to investment in producting industries. No man wants to lower woney to use in a producing industries. No man wants to borrow money to use in a business in which the fall of prices is sure to eat up his profits. On the other hand, the man with money for the same reason does not want to put it into business, but prefers either to invest it in giltedge securities or to let it lie idle and grow. This collects the money in the large financial centers and em hasizes the absolute power of the money-lender, who must be sought in his lair and who can make

the meney-lender, who must be sought in his lair and who can make his own terms with borrowers. It is a bad symptom when "breeding" money, to use Shylock's phrase, is regarded as better business policy than embarking it in productive industry. [Applause.] The results of an appreciating standard are so hidden in the very processes of ordinary business that until we step to look carefully for them we are not aware how serious—nay, how fatal—they may become. My time will permit only a few illustrations. Between 1874 and 1885 gold appreciated so that the holders of the public debt of England could buy in the latter year £200,000,000 worth more of all commodities on the average with the principal of the debt as it was in 1874 than they could have bought with it in 1874. In other words, the property and industry of England were robbed of \$1,000,000 in eleven years and a present made of it to the holders of her bonds.

The Manufacturer, of February 1, 1896, shows that the gold standard has presented English trade since 1890 with a gratuity of nearly \$250,000,000; also, that the value of farm live stock in the United States has fallen in three years \$622,000,000.

The United States paid off about \$750,000,000 of her debt between 1870 and 1884. Yet, as President Andrews has shown, if we recken it in the eight commodities, beef, corn, wheat, oats, pork, cotton, coal, and bar iron, the debt was nearly 50 per cent larger afterwards than hefere. than before

than before.

It is said that in 1866 we could have paid the national debt of this country with 14,000,000 bales of cotton. In 1894 it would have taken 51,000,000 bales to pay what remained due, although meantime we had paid 94,000,000 bales on it in principal and interest. In 1866 we could have paid it with 1,000,000,000 bushels of wheat. Last fall we still owed 2,000,000,000 bushels, after paying 5,000,000,000 bushels in principal and interest.

The burden of the gold standard on the world could be fully measured only in blood and sweat and tears.

It is pertinent to this discussion, sir, to answer briefly a conten-

It is pertinent to this discussion, sir, to answer briefly a conten-tion constantly repeated by the opponents of the restoration of silver, that silver has fallen because of its enormous overproduction.

silver, that silver has fallen because of its enormous overproduction. I do not wish to appear dogmatic, but I do say that this argument is absolutely without foundation. It has been a thousand times refuted, but continues to reappear in every discussion as fresh as ever and apparently unconscious of its discredit. The famous senior Senator from Ohio [Mr. Shermann,] in a public speech in his State a year ago, lent the support of his high name to this profound error, and in substance it was restated by the distinguished gentleman from Maine [Mr. Dingley] in opening this debate. I can not hope to stop the circulation of this convenient and serviceable assertion, but I can easily show that it is utterly without foundation.

The following table shows the world's production of gold and silver (coinage value) since 1792. I have added to the table as cited the correct figures for 1893 and 1894:

roduction of gold and silver in the world, 1793 to 1892, copied from United States Senate Report No.235, page 108, Coinage Laws of the United States, 1792 to 1894.

Calendar years.	Gold.	Silver (coining value).
1792-1800	\$106, 407, 000	\$328, 860, 000
1801-1810	118, 152, 000	371, 677, 000
1811-1820	76, 063, 000	224, 786, 000
1821-1830	94, 479, 000	191, 444, 000
1831-1840	134, 841, 000	217, 900, 000
1841-1848	291, 144, 000	259, 520, 000
1849	37,000,000	39,000,000
1850	44, 450, 000	39, 000, 000
1851	67, 600, 000	40, 000, 000
1852	132, 750, 000	40, 600, 000
1853	155, 450, 000	40, 600, 000
1854	127, 450, 000	40, 600, 000
1855	135, 075, 000	40, 600, 000
1856	147, 600, 000	40,650,000
1857	133, 275, 000	40, 650, 660
1858	124, 650, 000	40,650,000
1859	124, 850, 000	40, 750, 000
1860	119, 250, 000	40, 800, 000
1861	113,800,000	44, 700, 000
1862	107, 750, 600	45, 200, 000
1863	106, 950, 900	49, 200, 000
1864	113, 000, 000	\$1,700,000
1865	120, 200, 000	\$1,950,000
1866	121, 100, 000	50, 750, 000
1867	104, 025, 000	54, 225, 000
1803	109, 025, 000	\$0, 225, 000
1869	106, 225, 000	47, 500, 000
1870	106, 850, 600	51, 575, 000
1871	107, 000, 000	61, 050, 000
1872	99, 600, 000	65, 250, 000
1873	96, 200, 600	81, 800, 000
1874	90, 750, 000	71, 500, 000
1875	97, 500, 000	80, 500, 000
1876	103, 700, 000	87,600,000
1877	114, 000, 000	81, 000, 000
1878.	119, 000, 000	95, 000, 000
1879	109, 000, 000	96, 000, 000
1880	106, 500, 000	96, 700, 000
1881	103, 000, 000	102, 000, 000
1882.	102, 000, 000	111,800,000
1883	95, 400, 000	115, 300, 000
1884	101, 700, 000	105, 500, 000
1885	108, 400, 000	118, 500, 000
1886	106, 000, 600	120, 600, 000
1867	105, 775, 000	124, 281, 000
1888	110, 197, 000	140, 706, 000
1689	123, 489, 000 118, 849, 000	162, 159, 000
1891	126, 184, 000	172, 235, 000 186, 447, 000
1892	138, 860, 000	196, 459, 000
1893	157, 228, 000	
	181, 510, 000	209, 165, 000 214, 381, 000
1894	101,010,000	216, 301, 000
Totala	6, 001, 254, 000	5, 501, 075, 000
	1	

Thus in the 103 years ending in 1894 the production of gold has exceeded that of silver by half a billion of dollars.

It must be borne in mind that a disproportionate production for any

one year or a few successive years in the case of the precious metals is far less significant as affecting relative value than would a similar disproportion be in any other kind of commodities. The metals are so durable and their existing mass so large compared to the production of any one year, that the value of the whole will show little variation. The disproportionate production, to have any visible effect, must entinue long enough to change materially the relative bulk or mass of the

whole supply in existence.

The following table shows how barren must be the attempt to connect the fall of silver with an alleged disproportionate production:

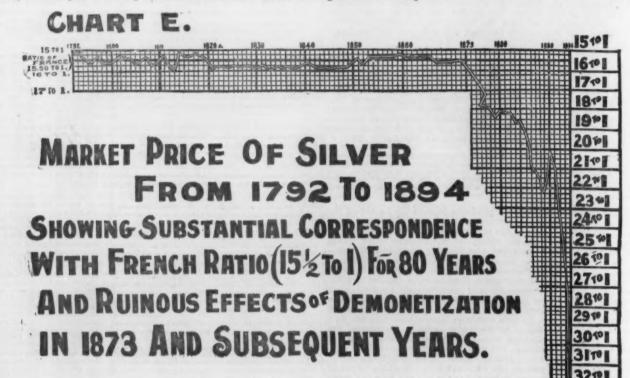
Period.	Production of gold.	Production of silver.	Highest and lowest variations in market ratio.
1792-1848 1840-1862 1843-1873 1874-189€	1, 570, 950, 000 1, 190, 175, 000	573, 800, 000 615, 225, 000	16.25 to 1—15 to 1 15.78 to 1—15.19 to 1 15.92 to 1—15.37 to 1 32.56 to 1—16.17 to 1

In the first period twice as much silver as gold was produced; in the second, three times as much gold as silver; in the third, twice as much gold as silver; in the fourth, only 10 per cent more silver than gold. Yet during the enormously disproportionate production of the first three periods all the variations in the market ratio are embraced within a point and a quarter, while in the last period, when production was almost identical in both metals, the ratio sank more than sixteen points. To say that this 10 per cent difference caused such vast disturbance, while differences hundreds of times greater caused no disturbance at all, is to do violence to the primary

suggestions of the reason. Note upon the following chart (to which I shall hereafter refer for another purpose) how the fall of silver began with the concerted legislative assaults upon it and continued by precipitous decline as those assaults were repeated; and consider, for example, how steep the decline was between 1873 and

1880, although between those years the gold production was \$836,4650,000 and the silver production only \$690,100,000.
[N. B.—There is a slight error in the tracing of this chart circum

1875-76, as will be seen at a glance. It does not, however, affect its general character.]



Now, sir, I ask the attention of gentlemen to Chart D, which is the last one I shall exhibit. It is a chart which in my judgment is absolutely unanswerable on the single gold standard theory. Some of its arrangement is original, but the main idea is drawn from a document many will recognize. I do not know whether I am correctly informed, but I understand that a distinguished gentleman is to follow me with the purpose of answering this argument. I hope he can. I do not say that it is unanswerable; I simply say that I am stating propositions which seem to me like axioms, and that if the gentleman who follows me can show I am wrong, he will at least have made one convert from a most perpicious error.

have made one convert from a most pernicious error.

[For Chart D see page 97.]

On this chart the production of silver in any given period covered by it is taken as the space between the zero line and the silver line (marked 8), and the production of gold during the same period is indicated by the colored ground. From this it will appear that from 1800 to 1810 about 32 per cent as much gold as silver was produced; from 1810 to 1820 about 34 per cent as much gold as silver was produced; indicated by the colored ground. From this it will appear that from 1800 to 1810 about 32 per cent as much gold as silver was produced; from 1810 to 1820 about 34 per cent as much gold as silver; from 1830 to 1840 about 55 per cent as much gold as silver; from 1830 to 1840 about 55 per cent as much gold as silver; from 1840 to 1850 about 12½ per cent more gold than silver; from 1850 to 1855 about 260 per cent more gold than silver; from 1860 to 1865 about 1850 per cent more gold than silver; from 1860 to 1865 about 166½ per cent more gold than silver; from 1860 to 1865 about 130 per cent more gold than silver; from 1870 to 1870 about 130 per cent more gold than silver; from 1875 to 1880 about 11 per cent more gold than silver; from 1880 to 1885 about 83 per cent as much gold as silver, and from 1880 to 1885 about 83 per cent as much gold as silver, and from 1885 to the present time about 75 per cent as much gold as silver.

This table also shows that from 1800 to 1820, when about one-third as much gold as ailver was produced, but while there were in the world of coin and bullion from 32 to 33 tons (ounces would do as well) of silver to one ton of gold, you could go into the market and buy an ounce of gold for 15.55-ounces of silver; and that from 1820 to 1872 while production oscillated as we have seen, and while the relative number of tons of silver in the world's stock was all the time becoming less in proportion to the stock of gold, falling from 31.1 tons of silver to 1 of gold to about 22 tons of silver to 1 of gold, still the market price remained closely by the ratio established by the open mints of France; but that when the

onslaught on silver was commenced in 1873, and the mints were shut in its face, notwithstanding that production has continued from that day to this nearer equal than at any time in a hundred years, and though the bulk of the world's stock of silver in tons has years, and though the bulk of the world's stock of silver in tons has for years been almost exactly the old mint and market ratio, namely, from 18.6 to 16.1 tons of silver to 1 ton of gold, yet the market price of silver as measured in gold has constantly fallen until in December, 1894, you could have bought for 1 ounce of gold 34 ounces of silver, and the market price to-day is about 32 to 1. No man can look that chart in the face and then say that it is the "enormous overproduction of silver that has lowered the price." It is legislation, foolish, almost criminal legislation that has done this thing. [Applause.]

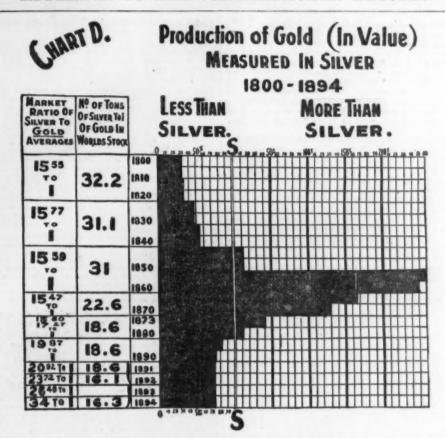
I undertake to say that if this chart is true there should be an explanation forthcoming from the gentlemen who have declared

thing. [Applause.]

I undertake to say that if this chart is true there should be an explanation fortheoming from the gentlemen who have declared that the overproduction of silver is the reason of its fall in price. [Applause.] And there is no explanation of this fact, of this colossal fact, of this to me inexplicable fact (except on one basis, which shall next mention) that, during the period when the bulk ratio between silver and gold was rising from 32 to 1 to 16 to 1, the market price fell from 16 to 1 to 34 to 1.

The only explanation that I can give is this: That the open mints of France afforded a channel through which the two metals could and did equably flow, according to the demands of trade, in this ultimate money, the one metal or the other predominating according to the demands of commerce and exchange, making of the two metals one ultimate money substance of final redemption.

Now, one word more and I shall sit down, for I have abused your patience. [Cries of "Go on!"] I wish to say only this in conclusion, that the condition in which the suffering gold-standard world to-day finds itself, is one that in my opinion calls loudly for remedy, calls loudly upon the estatemanship of this country, calls loudly and I pray not hopelessly upon the patriotism, upon the intelligence, upon the courage of the splendid leaders of the grand old Republican party, if we have such left, and I believe we have. [Applause.] Sir, if a man denies that these things are true, then he may believe in the perpetuation of the present system, but if he believes that this picture which I have endeavored to show, of the continual fall of commodities and of the rise in gold, and the ruinous effects of it,



are due to the fact that part of the ultimate money substance of the

are due to the fact that part of the ultimate money substance of the world has been taken away by law, he can not believe in its perpetuation. He can not supinely submit to its continuance. He will arise against it and help put it aside.

I must not forget, sir, that I promised to say something about wages. I am prompt to admit that the great Republican policy of protection [applause] has vastly benefited the laboring man in the United States. Sir, nobody upon a fit occasion can speak upon that great policy with more enthusiastic encomium or more intense conviction than myself. But it can not do everything. Handicapped by the single gold standard it can work out only a portion of its proper results. When I plead for bimetallism I plead for the other half of protection. [Applause.] Free trade and the gold standard both aim at low prices; are both embodiments of British aggression upon the industrial independence of my country. I will resist them both to the utmost. [Applause.]

I do not question the fact that protection has had a beneficial effect upon wages; but, sir, organized labor is also largely to be

I do not question the fact that protection has had a beneficial effect upon wages; but, sir, organized labor is also largely to be credited for the maintenance of wages. Diminishing the number of hours of labor, lessening the number of apprentices, organizing against proposed reductions, they have fought their way by one method and another and have succeeded to a large degree in warding off the natural effects of an appreciating money. Let me add that if you will consider the number of men who have been out of employment and the diminished labor of those who have had employment the statistics of the rise in wages will appear far less imposing than they do now. [Applause.] The laboring man's interests are precisely the same as the manufacturer's, the tradesman's, and the farmer's in this respect. And the policy that is sure to wreck all employers in productive industry, if continued, can not fail to ruin also the men who work for them. Profits can not disappear and leave wages untouched. When men that hire labor become bankrupt, the man who works is very apt to be out of a job. The voluminous evidence gathered by the English Parliamentary Commission on the depression of trade and industry shows conclusively that wages in England have been long falling and continue to fall. In the United States various conditions have prevented the full operation of the same cause as yet, but many of its effects are already wishle and the vitimeter result is clearly foreseen by intalto fail. In the United States various conditions have prevented the full operation of the same cause as yet, but many of its effects are already visible and the ultimate result is clearly foreseen by intelligent laboring men all over the country. Their attitude is not uncertain. They are and will be for a money system that is favorable to industry and that deals justly between man and man.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARTMAN. Mr. Chairman, I am going to ask again that the time of the gentleman from Minnesota be extended for fifteen minutes. Several MEMBERS. Let him have time to conclude his remarks. There was no objection, and it was so ordered.

Mr. TOWNE. Again, sir, am I most grateful to the House and Mr. TOWNE. Again, sir, am I most graveled to the House and most sensible of its kindness.

Frequent reference is made in this discussion to the experience of

Fraquent reference is made in this discussion to the experience of France in the early part of this century. Now, that Government, from 1803 to 1865, and the Latin Union (France, Italy, Greece, Belgium, and Switzerland) from 1865 to 1873, did maintain the bimetallic system, with mints open to both gold and silver, and keep them practically at par at her mint ratio of 15½ to 1. This great fact is of such conclusive significance that the advocates of the gold standard have not hesitated to fly in the face of history and flatly to deny one of the most notorious accomplishments on record. Such denials have been made in the course of this debate, and for that reason I propose to say a few words upon that subject.

Soetbeer gives the following as the extreme variations of the market ratio of gold to silver in each decade from 1803 to 1873:

weer runted on Porter to private 1	NA CONCAR	decided from 1000 to 1010.
1803	1:15.41	1849 1:15.78
1808 *		
1813 *		
1814 *		1861 1:15.19
1820		
1830		
1832		
1833	1:15.93	1873 1:15.92
1043		

An examination of Chart E will confirm the lesson of these figures. For eighty years the line of market value of silver as compared with

For eighty years the line of market value of silver as compared with gold runs almost coincidently with the line representing the ratio on which the metals were coined at the mint of France.

Mr. WILLIAMS. I want to ask the gentleman a question for information. That, as I understand it, is the price of silver bullion in the London market?

Mr. TOWNE. In the London market.

Mr. WILLIAMS. It did not vary at all in the French market.

Mr. TOWNE. The gentleman from Mississippi is right. Sir Henry Hucks Gibbs, for forty years a director of the Bank of England, some time its governor, a monometallic gold delegate to the international convention of 1878, and a bimetallist now and for the remainder of his life, declares—and he had personal knowledge for many years—that from 1803 to 1873, notwithstanding the fact that the law requires nothing of the sort to be done, there was not a day when any person could not go to the Bank of France and get either gold or silver for the other at the mint ratio.

And here it occurs to me to call attention to the fact that mints

And here it occurs to me to call attention to the fact that mints do not, under systems of free coinage, purchase bullion, nor do they exchange, necessarily, coin of one metal for bullion of the other. I have seen on this floor indications that some gentlemen appear to think that one way we should lose our gold—if we opened the mints

to silver—would be in handing it over to designing individuals who should bring silver bullion to the mint and "demand" gold. The open mint exists merely to coin the bullion brought to it and pass it back in coin to the owner. The Government stamp can not create value. Whether a coin when stamped shall be effectual to pass at the value it claims to represent will depend upon the use it can command. In this respect I agree wholly with the honorable gentleman from Maine [Mr. Dingley], who opened this debate and who now does me the honor of listening to me. The whole question of maintaining freely coined silver at a parity with gold is one simply of giving it enough to do—subjecting it to large enough domand. [Applause.]

But to return to the French coinage. The figures above given are authoritative. In considering them it must be remembered that they are London market quotations, and that coinage in France was they are London market quotations, and that coinage in France was free but not gratuitous; all gold and silver brought to the mint was coined as desired, but a charge was made for expense of coinage of three-tenths of 1 per cent on gold and and 1½ per cent on silver. The total transportation cost on coin and bullion during the most of that time must have been somewhere about 1½ per cent. In addition to this, interest was lost on the value of the bullion while at the mint for coinage. These considerations are entirely adequate to explain the small variations in the bullion market in London. Indeed, these variations about that gold and silver must have cir-

Indeed, these variations as the burnon market in London.
Indeed, these variations show that gold and silver must have circulated side by side in France.

The following table, on the authority of the distinguished economist, J. Barr Robertson, shows, in five-year periods, the Fronch coinage during the time in question, of both gold and silver. It is given in English money because taken from an English document:

	Gold (average per annum).	Silver (average per annum).
1808-1810	£1, 201, 136	£1, 184, 787
1811-1815	11, 200, 503	5, 208, 020
1816-1820	1, 951, 604	903, 111
1821-1825		3, 526, 432
1826-1830	288, 976	5, 032, 004
1831-1835	826, 149	6, 576, 120
1836–1840	589, 857	3, 048, 189
1841-1845	159, 326	3, 033, 286
1846-1850	1, 294, 337	4,311,270
1851-1855	12, 609, 263	1, 431, 756
1856-1860	21, 605, 465	666, 651
1801-1805		176, 008
1808-1870	9, 546, 561	3, 402, 020
1871–1875	2, 475, 213	2, 742, 770
Total coined	822, 983, 410	217, 640, 234
		1,000

Silver was tendered and coined every year, and gold every year but 1833 and 1872. When England in 1821 resumed specie payments after a long paper régime, the coinage of gold in France, as will be noticed in the table, fell off very much; and when, in 1850 and following years, the great increased production of gold came into the world's supply, it was tendered and coined in immense quantities. But all this time the mints were coining both metals, and the open that the tendered and coined in the control of the co mint of France, like a pipe between two reservoirs, maintained the level of the two masses of metal and was the equalizer of their

Nothing could more beautifully or triumphantly illustrate the fundamental principle of bimetallism. The two metals became in effect one metal, one primary money mass, to respond to the demands of debts and business and to support with broader basis the credit fabric of the world. Said Mr. Cernuschi, French delegate at the monetary conference of 1881:

The law by placing the yellow metal and the white metal on the same footing, by establishing a fixed and invariable ratio between them, has made them really a single money.

Thus, follow-citizens, they must be considered. Thus treated they become such a money; and if so, we can regard with perfect equanimity, when the system is once established, the going out of one and the coming in of the other metal. The ebb and flow would be a perfectly natural and healthful movement, marking the frictionless adjustment of the money volume to the demands of trade and of localities. If gold starts to leave us to day we have not have less adjustment of the money volume to the demands of trade and of localities. If gold starts to leave us to-day we have nothing to take its place; and so we keep hanging on to it, the amount of our desire to keep it, the measure of our necessities for it, being registered in the fall of the prices of all we produce or make. This is the greatest and heaviest premium money can command. If sliver were also primary money, when gold wanted to go so badly it might go, temporarily, and satisfy the wants of somebody who would give more for it for the time being than we would. Under present conditions we pay more than it is worth to keep it. A premium of 50 per cent paid in all our commodities is to-day the premium on gold in the United States. It isn't worth the sacrifice.

In this connection I draw your attention to the following extract from the final report of the English commission before mentioned. This portion is signed by the twelve members of the commission,

gold monometallists and all, comprising the greatest specialists in England:

gold monometallists and all, comprising the greatest specialists in England:

SEC. 189. Looking then to the west changes which occurred prior to 1873 in the relative production of the two metals without any corresponding disturbance in their market value, it appears to us difficult to resist the conclusion that some influence was then at work tending to steady the price of silver and to keep the ratio which it bore to gold approximately stable.

Section 192. These considerations seem to suggest the existence of some steadying influence in former periods, which has now been removed, and which has left the silver market subject to the influence of causes, the full effect of which was previously kept in check. The question, therefore, forces itself upon us: In there any other circumstance calculated to effect the relation of silver to gold which distinguishes the latter from the earlier?

Now, undoubtedly the date which forms the dividing line between an opech of approximate fixity in the relative value of gold and silver and one of marked instability, is the year when the bimetallic system which had previously been inforced in the Latin Union cased to be in full operation; and we are irresiatibly led to the conclusion that the operation of that system, established as it was in countries the population and commerce of witch were considerable, exerted a material indusince upon the relative values of the two metals.

So long as that system was in force we think that, notwithstanding the changes in the production and the use of the precious metals, it kept the market price of silver approximately steady at the ratio fixed by law between them, namely, 15½ to 1. Section 193. Nor does it appear to us a priori unreasonable to suppose that the existence in the Latin Union of a bimetallic system with a ratio of 15½ to 1 fixed between the two metals should have been capable of keeping the market price of silver steady at approximately that ratio.

The rise that the owner of silver could in the last resort, take it to those

The situation in France, and the nature and theory of the bimetallic adjustment, are admirably set forth in the following eloquent words of Cernuschi in the monetary conference of 1881:

cloquent words of Cernuschi in the monetary conference of 1881;
Until 1874 a clear and sonorous voice was always heard resounding from the banks of the Seine. It said: "I am France, rich in gold and rich in silver. I can arrange that in the entire world the two metals form but one money. Peoples and nations, bring to Paris all the gold and silver you like; I take it all. For a hundredweights of gold, or for 754 hundredweights of silver, I will always give you the same quantity of france. Let the production of one metal or the other become or less abundant, more or less coeffy, it will be immaterial to me. Peoples and nationa, do you want gold? bring silver; do you want silver? bring gold. An bimetallist, the French lave me preference for one metal or the other; they will always make exchange for you, if you know how to ask it, of one metal for the other on the basis of 154, and in the two hemispheres the relative value of the two metals will always and overywhere be the same.

The reason why France was able to do this was that her commerce The reasen why France was able to do this was that her commerce was great enough and varied enough to give employment and exchange to all the metals of either kind that were offered for coinage. As I have before said, the test of ability to maintain a parity between the metals is the power, founded on extent and variety of uses for money, to absorb them in commerce. Whether the United States could independently achieve this result is not, perhaps, absolutely demonstrable. It is a question of judgment. My own opinion is that the task is not beyond us, and that, though some international concert is preferable, independent action is much to be preferred to the indefinite continuance of the present system. In this connection I wish merely to call attention, in passing, to the fact that it was the powerful influence of the French mint that caused, first the gold (when our mint ratio was 15 to 1 and France's 15‡ to first the gold (when our mint ratio was 15 to 1 and France's 15½ to 1) and then the silver (when we had changed to 16 to 1) to leave the United States and go to France. It was exactly as if a commodity were to seek the highest market. But if she took our gold she sent us her silver, and vies versa. The process was natural and not harmful. Both metals were somewhere performing full money functions for all the world.

When asked whether England could successfully alone undertake the maintenance of the parity of gold and silver with open mints, Sir Henry Hucks Gibbs said:

Any great commercial nation can do it.

We do not sufficiently realise what a powerful nation we are and what we can do if we set about it. We need a little of the spirit of 1776. [Applause.] Why, we are more afraid of England now, after we have grown big enough to whip all creation, than our fathers were we have grown orgenough to whip all creation, than our latters were when they could count no more population than the State of Ohio has now. So long as we want her to do it England will manage our money system for us, and we may depend on her having an eye on England's interests while ahe is at it.

I make the assertion that, in nearly every respect, the conditions enabling a nation to support a system of bimetallism are to-day more favorable to the United States than they were to France from 1802 to 1873.

1803 to 1873.

To begin with (see Chart D), from 1803 to 1870 the average number of ounces of silver in the world in coin and available for coinage was thirty times as great as the number of ounces of gold. Yet age was thirty times as great as the number of ounces of gold. Let she made it possible during all that time to go into the market and buy as much with 15½ ounces of silver as could be bought with one ounce of gold. To-day there are only 16 times as many ounces of silver in the world's stock as of gold. Our ratio of coinage, 16 to 1, would, to commence with, almost exactly correspond to the natural ratio by weight. Ought it not to be very much sasier to float two metals at 16 to 1 when the relative amounts of them are practically yes that than to do it when there were twice as many ounces of silver to one of gold as the ratio called for?

Again, if the demand for the use of a metal is the test of ability

to maintain it at parity, the case is still stronger. In extent and variety of power to give employment to money, the United States to-day is immeasurably greater in respect to the general capacity of the world than was France twenty-five and more years ago. Mulhall, the world's greatest statistician:

If we take a survey of mankind in ancient or modern times as regards the physical, mechanical, and intellectual force of nations, we find nothing to compare with the United States in this present year of 1893. * * The physical and mechanical power which has enabled a community of woodcutters and farmers to become in less than one hundred years the greatest nation in the world, is the aggregate of the strong arms of men and women, aided by honespower, machinery, and steam power applied to the useful arts and sciences of everyday life. (North American Review, June, 1895.)

The relative extent to which a nation uses steam power illustrates, perhaps as well as any one thing can, the degree to which that nation is a factor in the world's business and can give money work nation is a factor in the world's steam power, according to Mulhall's dictionary of statistics, was 18,460,000 horsepower. That of France was 1,850,000 horsepower, or little more that 10 per cent of the whole. In 1888 the total for the world was 50,150,000 horsepower, and of this the share of the United States was 14,400,000, or nearly 29 per cent. Our share to-day is 16,940,000, almost as great as that of all the world in 1870, and fully three times as great in propor-tion to the whole as was that of France in 1870. Here we see, says

that the United States possesses almost as much energy as Great Britain, Germany, and France collectively.

In comparing the two countries in respect to commerce, a most important point is this: In proportion as the foreign commerce of a nation is small relatively to the entire bulk of trade, it is easy to nation is small relatively to the entire bulk of trade, it is easy to maintain a money system possessing independent features. In 1870 the total exports and imports of the world were, approximately, \$11,000,000,000, and those of France a little more than \$1,100,000,000, or about 10 per cent of the whole. In 1889 the world's total was nearly \$17,000,000,000, and the share of the United States was about \$1,600,000,000, or nearly 10 per cent. While it is impossible to obtain data as to the internal commerce of various countries with completeness and accuracy, enough exists to show us that a very much pleteness and accuracy, enough exists to show us that a very much greater percentage of the total commerce of France in 1870 was foreign than the percentage of the foreign commerce in the total trade of this country to-day. It is commonly considered that not more than 4 per cent of our trade is with foreign countries, while it is safe to say that in France in 1870 fully three times that proportion of her trade was of that character.

In agriculture I have not at hand the figures for 1870, but Mulhall

In agriculture I have not at hand the figures for 1870, but Mulhall gives the total value of the world's principal agricultural products for 1887 at about \$19,740,000,000, of which the share of France was \$2,300,000,000, or somewhat less than 12 per cent, and that of the United States \$3,880,000,000, or nearly 20 per cent. There is no doubt that the statistics of 1870 and 1895 would show even a much greater relative advantage on our part than this.

In manufactures France in 1860 produced approximately \$1,900,000,000 worth out of the world's total of \$12,000,000,000, or about 16 per cent; in 1888, \$2,425,000,000 out of \$23,000,000,000, or less than If her share for 1870 be taken as the average of these two years, she would that year have produced about 13 per cent of the world's manufactures. The United States in 1888 had about \$7,215,000,000 worth of manufactures, or over 31 per cent of the world's entire product. In 1870 the railway mileage of France was 9,770, and that of the world 128,235, the percentage of France being 74. In 1895, of the world's 370,281 miles of railway the United States had 163,597, being about 44 per cent of the mileage of the entire world, and 26,732 miles more than all Europe combined.

In 1870 the railway freight tounage of Europe was 401,000,000 tons, of which the proportion of France was 52,000,000 tons, or about 13 per cent. In 1888 her share was 78,000,000 out of 765,000,000 tons, or 10/s per cent; while the tennage of the United States was 590,-600,000 tons, or nearly eight times as much as that of France and three-quarters as much as that of all Europe. Of a like significance is the comparative tonnage carried on canals and rivers, being in France 14,500,000 tons in 1870 and 24,500,000 in 1885, as against 51,000,000 tons in the United States in the latter year. The total canal and river mileage of France is 7,730, and of the United States 51,834, or 30 per cent of the world's mileage of that character. Add to this the enormous capacity of our great lake system, and the unequaled facilities for the development of internal commerce can be

that tremendous aggregate, or \$5,150,000,000. Of course the goldstandard men will point to the doubling of the banking capacity of standard men will point to the doubling of the banking capacity of the world in the last twenty odd years as proof of the diminished need of money, and will cite the very exceptional equipment of this country in that respect as an argument that we can not use any more primary money. But it is too plain for dispute that this great growth in the world's means of economizing gold, coinciding, as it does, so closely with the steps by which the volume of ultimate money has been deliberately curtailed, gives convincing support to our position that more primary money is a crying need of the world. Credit has been expanded to the utmost, for beyond the scott Credit has been expanded to the utmost, far beyond the safety limit; gold has appreciated beyond all precedent; and to try to meet the demands of business this banking power has been evolved. It is an exact index of the increased need for primary or real money, and shows conclusively that the capacity of the United States to-day to absorb a new supply of real money is almost incalculable. These considerations are much enforced by the fact that our wast territory of just touched possibilities, with its constantly multiplying population, affords incomparable scope for the operation and expansion of the energizing functions of an adequate supply of primary money.

Now, sir, as we have seen, there is a demand in the world for a large additional amount of primary money. The enormous appreciation of gold and the almost incalculable multiplication of credits ciation of gold and the almost incalculable multiplication of credits are incontestable proofs of it. The supply of gold has not for many years come anywhere near keeping pace with the demand, so that even the increasing facilities for using it, of which our gold friends have so much to say, have not availed to keep it from rising ruinously. Dr. Soetbeer and others have exhibited the immense growth of the demand for gold in the arts and manufactures. He showed how the gold available for coinage averaged \$92,000,000 a year from 1851 to 1870, and but \$24,000,000 a year from 1871 to 1881. Mulhall says that during the fifty years. \$131-1880 the consumption of gold says that during the fifty years, 1831-1880, the consumption of gold was 160 tons more than the production. In an article in the Nineteenth Century Magazine for November, 1889, the great statistician and gold monometallist, Giffen, said:

The precious metals, it is admitted on all sides, have an extensive nonmonetary use. They are merchandise as well as money. But few people realize that probably this nonmonetary use is preponderant over the monetary use itself. * * * About two-thirds of the gold annually produced is taken for the arts; and if the consumption of India is included, as being either for simple hearding or for the arts, * * then the demand for gold for nonmonetary purposes appears almost equal to the entire annual production.

Professor Bemis, the brilliant young economist of Chicago, has recently shown, from perfectly reliable sources, that during the nine years last past there has been available for addition to the world's stock of circulating gold money not over \$15,000,000 of new gold all

Mr. WALKER of Massachusetts. Will the gentleman tell the House how much the economic power of gold in commerce has increased in the last fifty years? Has it not increased several thou-

Mr. TOWNE. Mr. Chairman, I understand the gentleman's que tion to refer to the common argument of gold-standard theorists, dutat the conclusions drawn by all statesmen and economists down to recent years as to the limited ability of coin to discharge commercial functions have been abrogated and overthrown by modern inventions that have facilitated exchange, as checks, clearing-house certificates, book credits, and such things. Is that what the gentleman referred to in his question?

Mr. WALKER of Massachusetts. I made it as clear as I could.

Mr. WALKER of Massachusetts. I made it as clear as I could. Give your own answer.

Mr. HARDY. Will the gentleman pardon me a moment?

Mr. TOWNE. I must decline to yield just now, Mr. Chairman, to the gentleman from Indiana. To the question of the gentleman from Massachusetts I have only to say this, that it implies one of the greatest fallacies with which the case for the single gold standard fairly teems, although I never heard this particular weakness so strongly stated as by the gentleman from Massachusetts. The idea is that, by reason of some modern hocus pocus you can compel a limited amount of real money to go on forever doing an unlimited amount or work. [Laughter and applause.] They say, "It does not make any difference how much ultimate money you have if you only have confidence." No word in their whole armory is so sadly overworked as this poor "confidence."

Confidence in what? I take it these gentlemen can not mean that

childlike and bland and innocent reliance upon the established moral order of the universe which is sometimes implied in the word "confidence." No, sir; these gentlemen use it as a business word, in a practical sense, and so used it has reference entirely to the

you stand there making your boast in the very face and eyes of the world of what a tremendous amount of business you are able to do upon an infinitesimal amount of gold, you ask men to have "confidence" in the operation. [Applause.] Ah, sir, let not gentlemen deceive themselves. The world has not outgrown either the obligations or the limitations of honesty. All these instruments of credit, Mr. Chairman, are themselves but the expression of the gold measure. If you extend credit to a man you extend so many dollars of credit; and if the stuff out of which the dollar is made is growing scarcer, the credit is correspondingly growing bigger, eating up more and more commodities, just as the gold dollar does that measures the credit. [Applause.]

Says the great English economist, Jevons:

Prices temporarily may rise or fall independently of the quantity of gold in the country. Credit gives a certain latitude without rendering prices ultimately adependent of gold. (Investigations in Currency, page 32.)

And Huskisson, the famous British statesman and financier, in his pamphlet on the depreciation of the currency sustains the propo-

Bition:

Price, therefore, is the value of any given article in the currency with reference to which that article is measured, and must of course be varied by any variation in the quantity of gold and silver contained in such currency.

An acute writer, Dr. W. H. Smith, in a recent work says:

The volume of basic money fixes the volume of representative money (paper money issued by the Government). In turn the volume of both representative money and basic money controls the volume of credits that act as money, and the quantity of all these, with the exchanges to be made and payments to be met, fix prices. Thus indirectly the prices of commedities in a country are fixed and controlled by the volume of basic money.

Sir. under the stress and impulse of commercial development the

Sir, under the stress and impulse of commercial development the world's need of money has overtaken and passed the supply of metal for the purpose long ago, and has for many years explored all the avenues of invention for substitutes and economies to eke out the inadequate amount of ultimate money. The limit was long since reached. I can not now take the time to prove, but I assert with no dread of contradiction that the actual proportionate use of

with no dread of contradiction that the actual proportionate use of money among the people to-day is very much greater than it was forty years ago. Says a great authority, Professor Kinley (Journal of Political Economy, March, 1895):

After a certain point of development in the use of credit instruments, there is no further relative increase, but rather, possibly, a slight decrease.

The true flatist, Mr. Chairman, is your modern American gold-standard advocate. The logic of his argument leads to a money base so small and a credit top so large that "confidence" is to take the place of redemption; and confidence never realized is only another name for irredeemability. For "populism" that outpopulists your Populist, commend me to your gold-standard extremist. Sir, I think I have heard the gentleman from Massachusetts speak of increasing the resources of the banks so as to permit them to enlarge their accommodations to customers. We are to assume, then, from these arguments, that the extent of accommodation is limited to the present rate of expansion, and that there must be some way of increasing the reserves in order to permit the piling some way of increasing the reserves in order to permit the piling on of additional credits at the rate of four or five dollars for one. Increasing the reserves means increasing the ultimate substance that must in the end make good every dollar of credit and every promise made by bank or Government in the nature of credit. It is more ultimate money that the world wants, and must have. [Applause.] And I warn gentlemen upon this floor—not as a prophet, plause.] And I warn gentlemen upon this noor—not as a prophet, but as one who has always lived near to the people, and by the grace of God means always to continue near the people—our duty must not be neglected. I tell you I know what the people are thinking and what they are feeling in this year of grace 1896. [Applause.] They know that the constricting gold standard is existing by the permission and growing at the cost of the manhood and the enter-

permission and growing at the cost of the mannood and the enfor-prise of the universe [applause], and that the time will come when a stop must be put to it.

Mr. HARDY. After your elaborate remarks, will you now state in a few words what you want the Republican party to do?

Mr. TOWNE. Mr. Chairman, it is to the great Republican party at such a crisis that the people turn with hopefulness, even as in times past, when the hour was heavy and the way was dark, they groped anxiously that they might find and clasp with their hands the hand of the Republican party, and thus be led again to the heights of peace and along the paths of prosperity. [Applause.] The Republican party has not yet declared for a single gold stand-

Mr. HARDY and others. And never will.

Mr. TOWNE. And I pray Heaven it never will. But what is expected now, Mr. Chairman, of the Republican party is a prompt and definite proposition as to what it intends to do.

Mr. HARDY rose.

Mr. TOWNE. No, I decline to yield further to the gentleman. Sir, I am not strenuous upon having my way. While I should infinitely prefer that the nations undertake this regeneration together, yet I believe that the United States of America, with its unlimited resources, with its manhood representing an energy that Mulhall says is quite equal to that of the Englishman, the German, and the Frenchman combined [applause], with a population of seventy millions, with an area equal to all Europe, and a large part of which is undeveloped and needs the quickening assistance of an affluent, ultimate money, with one-third of the banking power of Christendom,

showing its absorptive capacity over the money of all the world that should seek employment here, with one-third of the steam power (which is the basis of industry and of business to-day) of all the earth, I believe the United States could, with all this marvelous the earth, I believe the United States could, with all this marvelous energy, with its multiplicity and variety of commerce, a proper care for which would enable it to become the clearing house for this hemisphere, as Blaine fondly hoped it might become [applause], I say the Republican party might, by opening the mints of this Government and giving to silver the same privileges now bestowed upon gold, maintain the two metals at a parity at the old coinage ratio. [Applause.] It would be easier for us to do it than it was for France, because France had to do it and did it when the natural bulk ratio of silver to gold was 32 to 1, while with us it is proposed to make the ratio practically identical with that which the metals sustain to each other by bulk to-day. Nor, sir, is there anywhere any "flood of silver" to swamp the mint. I can not now pause to prove this, but it is absolutely true. Nearly all existing silver now circulates at a token-parity, or a virtual redemption parity, with gold, and would gain nothing by coming here. What we want is to take the silver from the top, and put it beside gold at the bottom, of the money structure. of the money structure.

If we can not do the work in an independent way—if I am deceived in thinking that we might—let us do it in some other way. If some-body proposes in this Congress to restore the ultimate money funcbody proposes in this Congress to restore the ultimate money func-tion to silver in any practicable way, he shall have my vote. The main thing is to take away from gold its universal and exclusive necessity, that keeps all the nations and all the men of the world in a scramble for it at the constantly growing cost of their happi-ness and their substance. [Applause.] Restore the full money function to silver in some way, and do it speedily. Say even that you will do it three or four years from

Restore the full money function to silver in some way, and do it speedily. Say even that you will do it three or four years from now, with such other nations as you may be able to induce to associate with you, and I will vote for the proposition. Say that you will tax incoming silver, and coin only the American product, and I will vote for it. Say that you will coin silver upon an international basis, without the consent of England (which you can never get so long as the Rothschilds have that country by the throat); say that you will do it in combination with France and Germany. and there ought to be no question in the mind of any reasonable and there ought to be no question in the mind of any reasonable man that these three nations could sustain the parity of the metals,—say you will do that, and I will vote for it. I know that all legislation is a compromise, and even in this great matter I will compromise to almost any limit on the means if only the end be openly

avowed and speedily sought.

But what I say, Mr. Chairman, is that the Republican party must at this time make up its mind to do something. The people of the United States have passed a vote of confidence in the Republican party; that is all. We must now justify that confidence by being equal to the emergencies that confront the people. Our platform pledges us explicitly to the rehabilitation of silver, to make it "standard money," even as gold is. The people want that done. They have not yet decided exactly how, perhaps, but that is what they elected us for—to find out how, to show them the way and lead therein. Be assured, sir, if we fail to do what they want done they are not so untrained in managing their affairs but that they will find

somebody else to do it

Mr. Chairman, I did not think to have spoken so long. I did not think that I could have abused the courtesy of the House to such an

Mr. Chairman, I did not think to have spoken so long. I did not think that I could have abused the courtesy of the House to such an extent. But the question is most important and well-nigh exhaustless. Even now I am conscious of having omitted many things that ought to be said. I thank the House very much for extending my time and for the unusual compliment of its general and prolonged attention. I desire to express my gratitude for this indulgence, and shall endeavor not to be thus again a debtor during this session.

But, sir, I could not be silent. I love my country. I can not endure to see her suffer without relief when relief is within call. And the Republican party is dear to me. My ancestors were Federalists and Whigs of New England. My father followed the standard of Fremont and Dayton to the glorious defeat of 1856. The infancy of the Republican party rocked my own cradle. Since my youth I have treasured the deathless fame of its great leaders, studied and professed its doctrines, benefited by its policies, and wielded ceaselessly what little strength was mine in its strenuous contests for the confidence of the people. My anxiety that it shall now rise level with the emergency that meets us is greater than I can express.

Sir, we are told in an old German legend how a monster, Alberic, became possessed of a magic ring of gold which gave him unlimited power, which power he used in heaping up and hoarding all the gold and wealth of the world; and that he fashioned for himself a helmet of gold that enabled him at will to become invisible to men or to take upon himself any form he pleased. And the world, it is said, was at the mercy of that monster until the god Wotan appeared and took him captive while, in the insolence of his power, he was boastfully wearing his most odious shape. If, sir, there is in this country to-day a malevolent power, with ring and helmet of gold, now invisible and now terrible in aspect, as it either insidiously or openly undermines the foundations of liberty, could there be for t

Revenue.

SPEECH

HON. ADOLPH MEYER.

OF LOUISIANA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. MEYER said:

Mr. SPEAKER: We are confronted with some of the greatest problems of government which can be presented to the attention of the American Congress. It was but the other day that we were called upon to deal with the question of reaffirming and maintaining the national principle of the Monroe doctrine, a principle essential to our safety, peace, and honor, endeared to the American mind and conscience by over seventy years of prescription and by the wisdom of a long roll of illustrious American statesmen, and confirmed to our own judgment by recent and signal examples of the partition of the continent of Africa by greedy foreign governments and by preparations for similar operations in the vast regions of Asia. Indeed some of these acts of spoliation and conquest have been accomplished during our own short session. I was glad to observe when this question came before Congress that the manly, wise, and, I may add, moderate action of the President of the United States found a general, cordial response in Congress and by the people, irrespective of sectional or party lines. It was a grand spectacle of a great and united people. The unanimity and firmness exhibited by all the departments of the Government, supported by the popular voice, has already had its effect abroad. Mr. SPEAKER: We are confronted with some of the greatest has already had its effect abroad.

SALISBURY'S REPLY ON VENEZUELA BOUNDARY QUESTION.

The reply of Lord Salisbury to Secretary Olney, couched under diplomatic forms and phrases of politeness and courtesy, was yet full of thinly concealed disregard for the protest of this country. Its leading idea was to brush away with contempt, and in the last resort with violence, every barrier to the greed of England for further territory on this continent. The suggestion of arbitration, so kindly and earnestly made by the United States Government, was firmly repelled, and it was made obvious to us all that the plan was for the British Government, backed by powerful fleets and armies, to pursue its own will against a weak and unoffending American Republic. The message of the President and the speedy adoption of his recommendations by Congress have happily brought the British people to make a calm review of the whole subject. The attitude of the United States was eminently moderate and disinterested. I am rejoiced to note that the healthy common sense of the British people has compelled an entire change of tone on The reply of Lord Salisbury to Secretary Olney, couched under interested. I am rejoiced to note that the healthy common sense of the British people has compelled an entire change of tone on the part of their rulers. The Queen's speech to Parliament is courteous and pacific in its reference to this country, and the discussions of the Venezuelan question by Sir William Vernon Harcourt and by Balfour are not only friendly in tone, but they contain a substantial admission of the justice of our position and of the propriety of our methods in dealing with the subject. The final result, I rejoice to believe, will be peace—but peace with honor and justice both to England and Venezuela—and a better understanding throughout the world of our country as one of the foremost leaders in the cause of peace and fair dealing among all the most leaders in the cause of peace and fair dealing among all the nations. [Applause.]

NATIONAL HONOR AND INTERESTS MUST BE GUARDED.

But, sir, there are two thoughts that arise to my mind in this connection which, without taking time to elaborate them, I wish to impress upon this House. First, in order to perform our duty to ourselves and to future generations of Americans, to guard the national honor and interests, and, if need be, unfortunately, to cope in the last resort with a powerful wrongdoer, it is indispensable that we should at once carefully study our military and naval preparation in order to supply its manifest deficiencies. The latter arm of national defense should be steadily augmented, strengthened, and developed until our naval powershall be commensurate with our commercial marine, our vast and growing trade, and our just maritime aspirations, and our extended coast bordering the two greatest oceans of the globe for over 6,000 miles.

SECTIONAL POLITICS SHOULD BE BANISHED.

Another thought that I can not forbear to present is that sec-tional politics should be banished from our party contentions and

from the American statute book. A great party has for long years past sought the political power of this country mainly on the idea of hatred and by the method of fomenting sectional prejudice against the South. In this last crisis in which, as if by fire in a crucible, the manhood and patriotism of all citizens were tested, the South stood forth more firm and resolute for the American resition than any other section of this great Republic. It materials are resisting than any other section of this great Republic. can position than any other section of this great Republic. It mattered not that her coasts and cities were more exposed than any other. The Southern people did not, in that trying hour, stop to consider whether the present system of taxation and expenditure consider whether the present system of taxation and expenditure was partial and unjust to the Sonth or not, or that there yet lingered in our statute book, thirty years after the war closed at Appomattox, a clause of disfranchisement, opprobrium, and insult to all ex-Confederates. They saw and would see only the flag of the common country, but the Republican who can now read that statute of proscription and not join promptly in its repeal ought to hang his head in shame when he reflects upon the devoted bearing of the Southern records in the hear when the reflects upon the bearing of the Southern people in the hour when it was vital that we should all stand united as one man. The exceptions of a treasonable British spirit are all in the East.

FINANCE, TAXATION, AND REVENUE.

But, sir, I wish to speak very briefly to-day upon the great questions of finance, taxation, and revenue. These questions are not new. They have been debated for long months and years, and yet remain unsolved. They are serious, important, and difficult. Sir, you find a radical disagreement on the most important branches of these questions, both among Democrats and among Republicans. these questions, both among Democrats and among Republicans. With such wide differences of opinion among honest, sincere, and able men, I need not say that hasty and merely partisan legislation upon them is unwise, if not criminal. The subject of an addition to our revenue, which I propose specially to consider, is not one to be disposed of by a secret clique or cabal of leaders gathered together in the hurried hours of the Christmas holidays, with one-half of Congress dispersed to their homes. It was not right to deny fair and full debate on such a grave question or the opportunity to members for a full and fair examination of the bill. The question of revenue, whether more revenue is needed or not. The question of revenue, whether more revenue is needed or not, and if needed how it is to be raised, and the question of providing for the protection of the public credit whether upon this or that theory of finance, are topics too vast and momentous to be disposed of by a secret caucus of a dozen members, and forced through an uninformed or half-informed House of Representatives by whip and spur. It is not by such methods as this that this House can discharge its great duty to the tribunal of public opinion. Legislation thus hastily hatched and patched up is very apt to be unwise and unjust, and it is certain to be dangerous. It an alarming violation of the very essence of free government.

Our Government rests on the principle borrowed from our English ancestors that all taxes shall be imposed by their representatives in Congress, aye, in this very House; but what is the value of this important and all-pervading constitutional provision if by the machinations of a small, secret, and self-constituted caucus all opportunity for proper examination of the proposed measure and for debate and amendment is substantially denied? It may be true that some shallow politicians may favor a crude measure thus devised as a good party maneuver, or as an aid to this or that man's ambition for a Presidential nomination, but, unless I greatly mistake their temper, a free people not ready to submit to tyranny will view such proceedings with alarm and disapproval. Even in time of war such hasty and despotic methods would not be justifiable. The illustrious men of our earlier history did not thus rashly legislate. But, sir, it has been well said that—

Fools rush in where angels fear to tread. [Applause.]

DEFICIT IN REVENUE NOT TO BE DIMINISHED BY REFUSAL TO CARRY OUT CONGRESSIONAL APPROPRIATIONS.

I had occasion, Mr. Speaker, on the 14th of February of last year, in the debate upon the gold bond bill, to submit some extended observations upon the public revenues and the public credit. The views I then expressed largely anticipated the crisis and the state of affairs at the beginning of this session. Time has only served to demonstrate the soundness of the suggestions which I then deemed it my duty to make. At that time the famous incometax decision by the United States Supreme Court had not been rendered, and by hardly anyone was it even anticipated. The case was not argued before that august tribunal till some time afterwards, and it was the month of May before that important and far-reaching decision was rendered by which this court swept away some thirty-five millions of our revenue. I did not venture to anticipate, any more than others did, this decision and the consequent reduction of the public revenues. But, sir, I did anticipate a deficiency in the revenue, and I expressed my apprehension then with frankness and distinctness. It seemed to me that the estimates of the Secretary of the Treasury, however great his financial ability and opportunities for an accurate judgment, could not under all the circumstances be relied on. I said:

I need not point that the Secretary's estimates of an improved revenue

after the 1st of July next (July, 1895) are mainly predicated upon an improvement in business, which may or may not take place as soon as he expects, and as we all desire. It may be a long waiting before it occurs. If the deficiency lasts it must be met by increased taxation or by using the proceeds of bonds, carrying with it an increase of our bonded debt.

Under these croumstances and with the prospect that Congress will not meet before December, 1895, I think "it would be a wise precaution to do at once as was done in March, 1875, and to make a provision for an increase of \$30,000,000 of additional revenue."

It has developed as I anticipated, although I did not then estimate for a deficiency based on the annulment of the income-tax revenue. Had I foreseen that decision, I should have felt it my duty to advise an increase of at least fifty or sixty millions of revenue instead of only thirty millions. I take no pleasure, sir, in the I should rejoice if the return of general prosperity throughout the Union had brought with it expanding revenues and created the surplus expected by many to be the immediate fruit of the tariff bill of August, 1894

What is our condition to-day? Does any man need to be told that it is by applying the proceeds of three separate bond sales, aggregating \$162,000,000, which yielded some \$182,171,195, to the current expenses of the Government that we had in the Treasury on December 1, 1895, a balance, according to the Secretary's report, of \$98,072,420.80 in excess of the actual gold reserve on that day? For the fiscal year which ended June 30, 1895, the Secretary reports a deficit of \$42,805,323.18, instead of the deficit of \$20,000,000 as estimated in his report on the state of the finances for the year 1894. And how is it that this deficit was only \$42,805,223?

COMPTROLLER BOWLER'S ARBITRARY ACT I will not undertake to point out all the methods by which the deficit has been kept down to that mark, but I can not forbear in this connection to speak of the arbitrary, illegal, and unconstitutional act of the Comptroller of the Treasury Department in refusing to execute the law of March 2, 1895, making appropriations for the sundry civil expenses of the Government. This act appropriated some \$238,289.08 to pay the producers of sugar who had complied with the bounty law contained in Schedule E of the tariff act of October 1, 1890. It was declared by law that the Secretary of the Treasury should pay the bounty stipulated for sugar

produced and manufactured prior to August 28, 1894.

In the same statute of March 2, 1895, to which I have referred, it was further enacted that there should be paid to the producers of sugar who had complied with the bounty law, and who would have been entitled to receive a license, a bounty of eight-tenths of a cent per pound on the sugars testing not less than 80 per cent grown in the United States between the 28th of August, 1894, and the 30th of June, 1895, and for this purpose the sum of \$5,000,000 was appropriated. These two sums aggregate \$5,238,289, and if the law of Congress had been honestly executed, as this officer was sworn to do by his official oath, the money would have been paid and the deficit arising in the last or in the current fiscal year would have been larger by that sum of five millions than it now appears to be by the Secretary's statement. For the current year the Secretary estimates a deficiency of \$17,000,000. I hope he may be right as to his estimates of increased revenues, and that this good result is not to be achieved by forcing a balance based on a refusal to carry out the appropriations made by the lawmaking power of the United States Government upon the singular pretense that in the opinion of a subordinate officer of the Treasury Department the appropriations are unconstitutional and that both the President and Congress have been guilty of gross usurpation. But, sir, waiving this point, it is clear to the simplest observation that without using the proceeds of bond sales our revenues are not equal to our usual and necessary expenditures. I do not propose now to discuss the causes of the deficiency any further than I did last February. Whatever may be the causes of the deficiency, I assert now, as I did many months ago, that instead of relying on the proceeds of bond sales to meet current. rent expenses or supply deficiencies, we should proceed carefully and energetically to take such steps as will make the revenues of the Government equal to its expenditures. [Applause.]

STRENCHMENT OF EXPENDITUE As for cutting down our expenditures, while I am generally favorable to economy, I can not see how the ordinary expenditures, outside of the great pension list bequeathed to us by the Republican Congress of 1890, can be retrenched to any considerable extent. Where, indeed, are we to begin our retrenchment! Our appropriation for foreign intercourse is a very small one, Where, indeed, are we to begin our retrenchment? and truly insignificant for a great country. Our Army is smaller than many think it should be in time of peace, and would cer-tainly be found pitifully small if we should have to engage in war. Our Navy is comparatively small. It is only the sixth or seventh in power apon the seas. Shall we be content with such a diminutive naval force as actually encourages second-rate powers to violate our national rights? Is a navy which is not one-fifth in fighting power that of Great Britain worthy of this great Republic public, and are we to refuse adequate appropriations even for

guns to man our ships and for seamen and dry docks? Ought we not, on the contrary, by steady and wise steps to increase our Navy promptly and liberally—not for purposes of war, aggression, and conquest, but as a measure of peace, by inspiring respect for our flag by foreign and distant powers? [Applause.]

Our Indian service can not well be reduced. Our postal service

pays for itself. Our appropriations for rivers and harbors are pays for resear. Our appropriations for rivers and markets are now made biennially, and considering our great line of sea coast-aggregating some seven or eight thousand miles—and our numerous rivers and great chain of lakes, and the great increase of deep-draft vessels for the needs of modern commerce, are far smaller than some nations whose area and necessities for such public works are much inferior to our own. These appropriations are much below the positive and urgent needs of modern commerce. So far, therefore, from curtailing our ordinary expenditures, I hold that we ought to increase the sums expended in the past for river and harbor improvements and for the increase of the Navy and the fortifications required, in addition to the Navy, to protect our

great cities in the event of war.

I am aware, sir, that some gentlemen think it a fine thing to insist on economy and to send very small appropriation bills over to the Senate, thus making a grand record of economy for the members of this body. This is an old dodge. It is a trick which the people will be quick to detect and resent. It may indeed help an individual here and there, but I would not recommend it to a political party or to a Presidential candidate to build their castles upon the assumed ignorance or incapacity of the American people.

HOW SHALL ADDITIONAL REVENUE BE RAISED?

If it be true, as I insist it is, that we need to keep up or to increase our appropriations, and will need additional revenue in order to square income and outgo, the question next arises, How shall this revenue be raised? In my remarks of February 14, 1895, I suggested an increase of one-half of a cent per pound on raw sugars. This would involve a tax of only 25 cents or less per head on the people of this country, but it would yield a revenue of at least fifteen to twenty million dollars and would not bear hardly on any class of people or on any section. I challenge anyone to name a tariff tax which would bear so lightly on the people and yet yield so much to the Government as this tax on sugars. I suggested also a tax on successions and a stamp tax on bank checks. I venture now to add to this a suggestion that a very large revenue might be raised by a small tax on the passenger receipts of the railroads of the country, a tax which would fall on a class well able to bear it. It would add the merest trifle to the cost of a traveler's journey, but the aggregate income would

Mr. Speaker, I doubt very much whether any considerable addition to the revenue could be secured by an increase of the existing tariff rates, except by the sugar tax which I now propose, and perhaps by some increase of the duties imposed in the act of 1894 on wines and spirits. There is danger that a tax on wool and an increase of the tax on woolen goods would really defeat revenue in the end, but I am willing to examine this question and to decide it the end, but I am willing to examine this question and to decide it dispassionately, with a view to raising the greatest revenue possible needed under our present conditions. We must not forget that in the present financial stringency, which beganduring President Harrison's Administration, the inability of the people to purchase and consume has had the effect to diminish importations, and thus defeat revenue. This happened in 1874 and 1875 under a Republican Administration; it will occur again.

Sir, there are other features in our internal-revenue system which might be studied with a view to a larger revenue.

which might be studied with a view to a larger revenue

which might be studied with a view to a larger revenue.

I advocate, sir, an honest, faithful effort to raise additional revenue. I do not consider that the subject should be treated only from the standpoint of favoring manufacturers. Doubtless many of them are suffering from the existing stagnation in trade. They have my sincere and full sympathy. But their case is not near so bad as that of the farmer. The condition of the agricultural class has been very bad for years past. It is our duty to consider and study the causes of this general distress. No mere catchpenny contrivance of the party controlling this House will satisfy the people. This House must aim at something higher and better than the problem of securing the Presidential spoils of office, or it will merit and receive popular condemnation. [Applause.]

NAMES DISCRIMINATION AGAINST THE SUGAR INTERESTS

Holding these views, and deeply convinced as I am of their logic and correctness, I felt constrained to vote against the tariff bill which the House lately sent to the Senate. The discrimination so plainly and needlessly made in it against an article which forms the greatest industry of my State is so unfair, unjust, and illogination that I could not, even by implication, assent to it. I could not stultify myself by favoring a revenue bill which specially and by emphasis excludes from the increased duties an article which from the foundation of the Government has been regarded by all con-

riderate and great financial minds as the very best subject for providing revenue in large quantity with the least burden to the people. From the date of the very first tariff law, enacted under our Constitution July 1, 1789, until the passage of the act of October 1, 1890, or for more than one hundred years of our national history, sugar has been recognized by all parties and under all conditions as antilled to a high place on the list of revenue tariffs. ditions as entitled to a high place on the list of revenue tariffs.

I go further and I assert that the recent position of the Republican leaders taking sugar out of their long list of protected articles is wholly indefensible in logic and against all precedent. The idea, is wholly indefensible in logic and against all precedent. The idea, the doctrine, of protection to American industries is not a new one. It did not begin with these modern lights, McKinley, Allison, and Aldrich, or their associates in this Congress. I mean no disparagement to these gentlemen when I suggest that they are not to be compared to such great financiers and statesmen as Alexander Hamilton, John Adams, Daniel Webster, Henry Clay, George Evans, Thaddeus Stevens, and many others who, from 1789 until a few years ago, upheld the doctrine of protection. Be the dogma of protection wise or unwise, be it sound or unsound, none can deny that it has been upheld, championed, and expounded by some of the mightiest intellects of America. Not one of these great minds of the past ever proposed to exclude sugar from the list of dutiable or protected articles. How could they have done so logically with a great industry, employing hundreds of thousands of people? How could they speak in one breath of making this country independent of foreign nations and in the next breath so construct a pendent of foreign nations and in the next breath so construct a pendent of foreign nations and in the next breath so construct a tariff as to make this country depend for a great and necessary article of its food supply upon importations from Cuba, Demerara, and Germany? These great men may have, as some would say, espoused a false theory of government, but they were able, honorable, patriotic, and consistent. Their legislative projects in finance drewno inspiration from party or sectional malice. Their aims were lofty and aboveboard. [Applause.]

Now, sir, why is it that the Republican leaders have made this discrimination against sugar, increasing duties on the general

Now, sir, why is it that the Republican leaders have made this discrimination against sugar, increasing duties on the general tariff list 15 per cent of the existing duty, but carefully avoiding the article of raw sugar? It has been intimated that the fear of a gigantic trust and dread of its all powerful influence is the prime cause of this invidious discrimination in the bill. It will not be forgotten, sir, that in the first tariff bill in our whole history that ever put sugar on the free list, I mean the so-called McKinley bill. ever put sugar on the free list, I mean the so-called McKinley bill of October. 1890, the famous sugar trust was carefully protected. They wanted cheap foreign sugar in order to refine and manufacture, and they got it. They wanted liberal, aye, prohibitory duties on foreign refined sugar, and the Republican leaders gave it to them with a free, generous hand. The sugar trust grew, flour-ished, abounded yet more and more until it is now a great power to the desired and the sugar trust great power. in our land and an object of profound reverence by a certain class of politicians. But, sir, I am reluctant to believe that the idea of pandering to this trust was the sole, dominating idea that led to the action of the framers of this bill on excluding American-grown sugar made from beets or cane from its benefits.

REPUBLICAN MOTIVES FOR ANTAGONISM TO SUGAR.

I am sorry to be forced to the conclusion that there is another motive for this war upon the sugar-producing interest of Louisiana which is hardly more creditable than the other. The Republican party has dealt with the State of Louisiana in the past with lican party has dealt with the State of Louisiana in the past with a cruel hand. The hideous recital of the epoch of reconstruction, military rule, carpet-bag pillage, for which they are responsible, will always stain the pages of American history. The heirs and successors of the party which perpetrated these foul crimes against civilization and humanity can not be made to learn that the way to win the confidence and good will of a people is by acts of kindness and generosity, gentleness and consideration. The attitude of the Republican party toward Louisiana and the whole South is one of insolent superiority hardness, and lack of congrous conone of insolent superiority, harshness, and lack of generous consideration. Their idea is that Louisiana is to be won to their political embrace by acts of invidious, discriminating legislation; by force bills; by telling the people there you must vote with us or we will starve you out. They have never read, or they have forgotten, Æsop's fable of the traveler and the cruel north wind, which only made the traveler hug his cloak more closely about his person. Their model for governmental policies is Legree, of Uncle Tom's Cabin, the Northern overseer, whose only method was the lash and abject submission instead of love. I assure you, gentlemen, you can not win the confidence of the people of Louisiana tlemen, you can not win the confidence of the people of Louisiana in this way. The last time you wielded power in this House you passed a force bill that was a disgrace to American legislation, and now in this tariff bill of yours it is not difficult to read that the spirit of sectional malice still survives, lingers in your breasts, and only waits opportunity for a fuller display and development. I fear that in the minds of Republican leaders this rancor and prejudice know no change or abatement, but my hope lies in the masses of the American people and in the growth of a noble, kindly, comprehensive, and national spirit by good citizens in all sections of the Union. [Applause.] Silver and Wheat in India and America,

Generally speaking, it is strictly true that the price of wheat has never been higher in India than in America, except when there was either a famine to abnormally raise prices in India or a triumphant Democracy to abnormally depress prices in America. Instead of wasting time in trying to restore the conditions of 1873, let us pray God to deliver India from famine, and let us help the farmers of America to deliver themselves from "four years more of Grover" by undoing the blunder of 1892, and the "crime of 1873" can safely be left to work out its own salvation or condemnation.

SPEECH

HON. MARTIN N. JOHNSON.

OF NORTH DAKOTA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 6, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. JOHNSON of North Dakota said:
Mr. CHAIRMAN: There was a short speech made here last night
by the gentleman from Colorado [Mr. SHAFROTH] which was a
typical speech for those who hold his views on this question, and t typical speech for those who hold his views on this question, and I select it as the text for my remarks out of compliment to the gentleman because it was a fair, concise, correct, and able statement of the doctrines which he advocates. If I misrepresent the gentleman in laying down the premises from which I start, I hope he will correctme, but I do not think that will be necessary. I am sorry that his speech is not in the RECORD this morning, but I am sure that we shall not disagree about its substance. The gentleman started out with the statement that the trouble in arriving at an agreement upon this question is that the opposing sides can not agree. ment upon this question is that the opposing sides can not agree as to the premises.

That is true, Mr. Chairman. The trouble with him and his asso-

ciate is that they start out with false premises. His premises are wrong, his logic is correct, and his conclusions are wrong. His first false premise is based upon an inaccurate statement of the law of supply and demand. He assumes, and asks us to assume, as an axiom that if you reduce by one-half the supply of an article such as gold or silver, or money, you thereby double its pur-

cle such as gold or silver, or money, you thereby double its purchasing power.

That I deny. I admit that by reducing the supply you increase the demand, but I deny that by halving the supply you double the demand. I do not deny the possibility of expressing the law of supply and demand by some arithmetic or algebraic formula, but I do most emphatically deny that the formula "Supply—2—demand×2" expresses it. As to the extent to which you do increase the demand for any article by lessening the supply we can only say that that curve of probability has never yet been accurately located or scientifically determined; but we do know that it is far from being in a geometrical or even an arithmetical ratio. I have tried in vain for many years to find in scientific works some mathematically exact statement of the operation of the law of supply ematically exact statement of the operation of the law of supply and demand. I believe it would vary with different articles, even for the same article at different times and places. If question were confined to this one subject of silver, and if all other causes which tended to influence the demand for silver except simply the one item of supply were eliminated from the cal-culation, then I could draw that curve with absolute arithmetical, scientific accuracy, as I have drawn the two curves representing the price and production of silver from 1873 to 1894, inclusive, on [Note.—At this point the attendants brought into the Hall some

charts, about 6 feet square each, mounted on an easel in such a manner as to be visible one at a time. The easel was placed in the area immediately in front of the Speaker's desk.]

[For Chart No. 1 see page 105.]

The figures from which this chart is drawn are found on pages

238 and 249 of the Annual Report of the Director of the Mint for 1895, supplemented by a table on page 45 of his 1894 report on production of gold and silver in the United States as to the production from 1873 to 1886.

As a result of the act of 1873, those who believe in free coinage assert that silver was "struck down," "destroyed," and "demonetized." Production increased from 63,000,000 ounces in 1873 to 167,000,000 ounces in 1894.

People who think that such words as "destroyed" and "struck down" fittingly describe such a growth in a great industry in twenty-two years can consistently use the word "demonetization" in describing the changed condition of silver when its use as a money metal was increased from practically nothing to about \$500,000,000 in this country.

These men assert, and attempt to make people believe, that the law of 1873 caused the decline in price of silver. Is it not possible that other causes may have been at work? Is it not possible that by doubling the production of silver you might reduce its value either by one-half or by some other fraction? On that theory the lines on the chart ought to cross in the year 1890. They actually interest in 1891. intersect in 1891.

PRICE OF WHEAT IN INDIA.

It has been assumed that under free coinage the price of wheat has remained steady in India. As a matter of fact the price of wheat has fluctuated up and down there about the same as here. The average price there has been nearly twice as high some years as others, ranging from 5.25 rupees per maund in 1879 to 2.76 rupees per maund in 1885.

By the courtesy of the Secretary of the Department of Agricul-

ture I have obtained this table giving the price of wheat in eleven representative districts of India for every year from 1873 to 1893, inclusive.

United States Department of Agriculture,
Office of the Secretary,
Washington, D. C., February 7, 1896,
Dear Sir: In accordance with your request of this morning, I inclose herewith an exact copy of the statistics of wheat prices in India which formed
the basis of the tabular statement transmitted to you on the 5th instant.
The figures were taken from an official publication entitled Prices and Wages
in India, compiled in the statistical branch of the finance and commerce department of the Indian Government. The values are given in terms of the
silver rupes of India.
Respectfully, yours,
J. STERLING MORTON,
Secretary.

Hon. MARTIN N. JOHNSON, 238 Maryland avenue NE., Washington, D. C.

Average annual price of wheat, first sort, per Indian mound, in selected districts of western India.*

[The figures represent rupees and decimals of a rupee.]

Places.	1873.	1874.	1875.	1876.	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.	1885.	1886.	1887.	1888.	1880.	1890.	1891.	1802.	1803
Bombay: Bombay	4, 26 3, 30 3, 48 2, 22 2, 92	3.60 3.64 2.51 2.47 1.72 2.78 3.51	3.75 3.96 2.79 2.17 2.30 2.72 3.34	8.87 4.14 8.11 2.99 2.45 2.74 3.41	5.53 5.25 5.00 5.90 4.30 4.26 4.68	6.66 5.57 5.82 5.02 5.27 4.88 5.31	6.27 6.96 5.71 6.52 5.17 5.02 5.99	5.02 5.22 4.63 4.85 8.46 8.37 4.62	3.96 3.96 3.17 2.25 2.49 2.63 3.51	4.23 3.67 3.14 2.00 2.82 3.13 3.61	4.30 3.94 3.20 2.16 2.82 3.74 3.98	3.93 3.89 3.12 2.06 2.47 3.10 3.39	3.85 3.77 2.90 2.46 2.43 2.65 3.13	4.30 3.89 3.17 2.40 2.80 3.14 3.58	4.45 4.10 3.82 2.55 3.15 3.95 4.84	4.58 4.28 3.50 2.64 3.13 3.96 4.47	4.38 4.17 3.73 2.62 3.05 3.83 4.52	3.80 3.82 3.46 2.82 2.90 3.58 4.12	4. 12 8. 90 3. 72 2. 97 8. 12 4. 03 4. 61	4.70 4.65 4.53 4.33 3.87 4.09 4.80	4.1 4.6 8.6 8.2 8.1 3.1 4.4
Karachi	2.91 2.46	3.51 2.48	2.58 2.24		3.61 2.61	4.15	4.08 4.50	3.74 3.67	8.20 8.30	2.90 3.01	2.85 2.93	2.87 2.67	3.01 2.67	8.28 8.06	3.30 3.44	3.28 3.24	3, 39 3, 60	3.28 2.87	3.61 3.32	3.96 3.48	8.4 2.8
Central India and Rajputana: Nimach Indore Nasirabad	8,07 2,73	2.65	2.86		2.97 2.33		4. 07 3. 47				2.47		1.74	8.01	3.04 3.01 3.00	8, 29 2, 96 8, 06	2.89 2.73 2.00	2.55 2.72 2.66	2.87 3.87 3.07	2.90 3.31 3.20	2.9 3.1 2.8

^{*} From Prices and Wages in India, an official document compiled in the statistical branch of the finance and commerce department of India, Calcutta, 1894.

By adding the columns in the foregoing table and dividing by the number of districts we obtain the following averages:

From these averages I have drawn Chart No. 5.

This chart No. 5 see page 106.]
This chart No. 5 proves to a mathematical demonstration that the price of wheat, measured in silver, has not remained steady in India. In fact, the extremes of fluctuation have been greater there than in the United States and in other gold-standard coun-

In order to make the lesson of the foregoing table and chart more easily understood, I have reduced the India rupees and maunds to the equivalents in United States gold dollars and bushels.

In making these calculations of equivalents I have availed my-self of the extremely valuable and painstaking assistance of the accomplished officials of the Department of Agriculture, and take this occasion to express my just appreciation of their kindness.

United States Department of Agriculture,
Office of the Secretary,
Washington, D. C., February 5, 1326.

Dear Sir: Complying with your request of yesterday, I send to you herewith tabular statements showing the annual exports of wheat and wheat flour from Argentina and Russis since 1890. These figures can be used to suplement the tables which you will find on pages 101-102 and 160-161 of the bulletin handed to you yesterday entitled "Production and distribution of the principal agricultural products of the world."

I inclose also the tables you desired relative to wheat prices and agricultural wages in India. The reduction of the Indian denominations used in these tables to United States equivalents was more of a task than at first anticipated, and hence it was impossible to transmit the tables last night as hoped.

Respectfully, yours,

J. STERLING MORTON.

Hon. MARTIN N. JOHNSON, 238 Maryland avenue NE., Washington, D. C.

[From official blue-book prices and wages in India.]

Average annual prices of wheat (first sort) per bushel of 60 pounds in certain places of western India.

Places.	1878.	1874.	1875.	1876.	1877.	1878.	1870.	1880.	1881.	1882.	1883.	1884.	1885.	1886.	1887.	1888.	1889.	1890.	1891.	1802.	1893.
Bombay: Bombay Ratnagiri Poona Belgaum Ahmadnagar Ahmadabad Baroda	.78	\$1.17 1.18 81 .80 .86 .90 1.14	\$1. 19 1. 32 . 90 . 95 . 78 . 87 1. 09	\$1.19 1.27 .96 .92 .75 .84 1.05	\$1.63 1.55 1.47 1.74 1.27 1.25 1.38	\$1.90 1.66 1.74 1.68 1.57 1.46 1.58	\$1.77 1.97 1.62 1.84 1.46 1.42 1.69	\$1.43 1.49 1.32 1.24 .99 .95 1.32	\$1.13 1.13 .90 .64 .71 .75 1.00	\$1.20 1.04 .80 .57 .80 .89 1.03	\$1.21 1.11 .90 .61 .79 1.05 1.12	\$1.10 1.09 .87 .58 .00 .87 .95	\$1.06 1.04 .80 .68 .67 .73 .86	\$1.12 1.01 .83 .62 .78 .82 .93	\$1.12 1.03 .96 .64 .79 1.00 1.22	\$1.11 1.03 .85 .64 .76 .96 1.08	\$1.08 .98 .86 .62 .73 .90 1.06	\$0.92 .92 .84 .56 .70 .87 1.00	\$1.04 .99 .94 .75 .79 1.02 1.17	\$1.07 1.04 1.01 .97 .87 .92 1.07	\$0.85 .99 .77 .66 .66
Sind: Karáchi Shikarpur	.96	1.14	.74	.78	1.06	1.24 1.29	1.15 1.27	1.07 1.05	.04	.85	.80	.80	.83	.84	.86	.79 .78	.80	.79	.91	. 80	.6
Central India and Rajputana: Nimach Indore	1.01	.88	.83	.80	.87	1.05	1.15	. 94	. 63	.71	.70	. 55	.48	.56	.77	.80 .72 .74	.68	.63 .66	.73 .85 .78	. 67 . 74 . 72	.6
Nasirabad	.90	.82	.61	. 58	. 69	.99	.98	.82	.68	.66	.66	.50	.50	.54	.78	.74	.64	.64	.78	.72	.5

By adding the columns in the foregoing table and dividing by the number of districts we obtain the following averages:

Average price of wheat per bushel in India reduced to equivalents in United

		manufacture Brands and a			
				1887	\$0.9
1874	.92	1881			
1875	-86		.86	1889	.8
1876	.89	1883	. 88	1890	. 71
		1884	.80	1891	, 18
1878	1.47	1885	.76	1802	. 81
1870	1.95	1000	. 10	1893	. 0

From these averages I have drawn the following chart, No. 2, and for the purpose of comparison I have also placed on the same chart the curve which appears on Chart No. 4, giving the price of wheat in the United States for the same period.

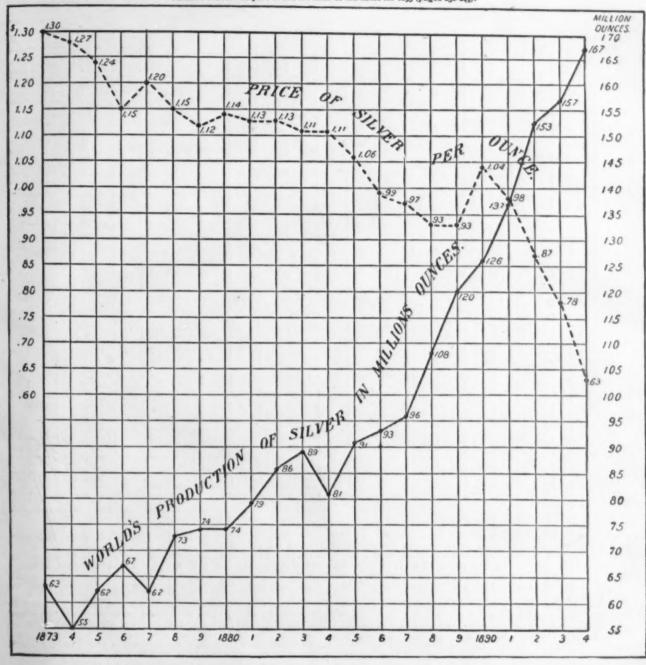
[For Chart No. 2 see page 107.]

Prices of wheat have sometimes been higher in India and sometimes in America.

times in America.

The fact of these ups and downs admits of no dispute. The only room for disagreement is as to the causes which produced

CHART NO. 1.-Report of the Director of the Mint for 1835 (pages 238-249).



Our opponents teach and affect to believe that one cause, and only one cause, viz. the "crime of 1873," has produced all these ups and downs. We believe and teach that very many causes and forces may have combined to produce the resultant. Wheat was ups and downs. We believe and teach that very many causes and forces may have combined to produce the resultant. Wheat was very high in India from 1877 to 1880. That is a fact. But the farmers of India had no wheat for sale during those four years of the "great famine," when in some instances they ate human flesh for want of wheat bread. In my judgment the famine was quite sufficient to account for the price of wheat.

Wheat was low in the United States from 1884 to 1888, and again these last three years of grace.

That is a fact. It is also a fact that Mr. Cleveland was President of the United States during those years. Generally speaking, it is strictly true that the price of wheat has never been higher in India than in America except when there was either a famine to abnormally raise prices in India or a triumphant Democracy to abnormally depress prices in America. [Applause.] Instead

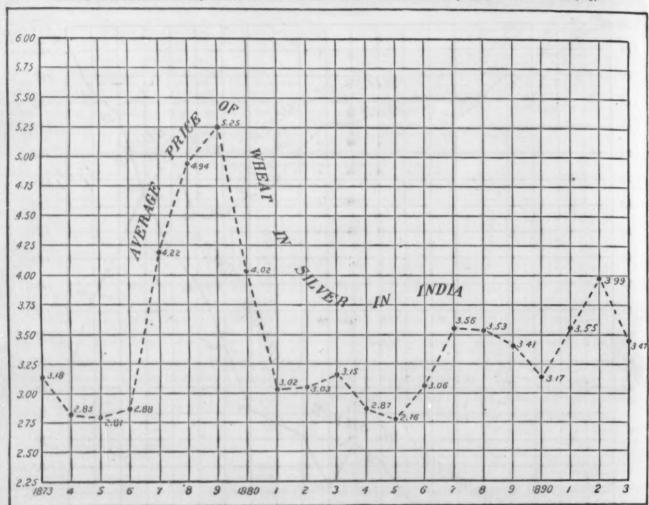
to abnormally depress prices in America. [Applause.] Instead

of wasting time trying to restore the conditions of 1873 let us pray God to deliver India from famine, and let us help the farmers of America to deliver themselves from "four years more of Grover" by undoing the blunder of 1892, and the "crime of 1873" can safely be left to work out its own salvation or condemnation. [Applause.]

If there were any substantial advantage to be gained by exchang-If there were any substantial advantage to be gained by exchanging wheat for rupees or for cheap Mexican free-coinage silver dollars, the American farmer could easily exchange his good American gold dollars for any of these cheap coins, and he would get just as many rupees or Mexicans for a bushel of wheat as his competitors. Up to this point they would be on an equal footing. The only difference in final results would depend on relative smartness in getting rid of the rupees.

The farmer in India might be more successful in cheating the poor laboring man out of the just wages of honest toil than would be possible in America. That I admit. Depreciated money always

CHART NO. 5.—Silver rupees. Average annual price of wheat, first sort, per Indian maund, in selected districts of Western India. From "Prices and wages in India," an official document compiled in the statistical branch of the finance and commerce department of India. Calcutta, 1894



hits the laborer first and hardest, and the more ignorant he is the more he is hit. But when it came to paying out the part that goes to the merchant, the banker, and the railroad man it is not very likely that the ordinary farmer, either in India or America, would rob the party of the second part in the transaction to any alarming extent. But enough of India. Let us turn now to matters nearer home.

It is extremely fashionable to assert that since 1873 it has gradually become harder and harder for the laboring man and the farmer to acquire gold or to pay debts. I admit that it has been harder to get gold or to pay debts now, since 1892, than it ever was

The same may also have been the case in a lesser degree during the first four years of Grover. But during the years of Repub-lican supremacy exactly the reverse was true. The improvement was not regular and steady, but it was nevertheless a distinct

shadwance.

Speaking now as a Republican and as a Representative, glad to render an account of my stewardship and the stewardship of my party during the thirty years when that party was charged with responsibility for the prosperity of the people and the glory of the Republic, I make the statement without fear of successful contradiction that the last and thirtieth year of the thirty years of Republican supremacy was the best year in all our history for the laborer and for the farmer, and that was the year of years, before or since, when it was easiest to get gold or pay debts.

That this was true in the case of the farmer I shall attempt to prove by a mathematical statistical demonstration. I have also gone over the figures in the case of the laborer and hope at some future time to have an opportunity of presenting them to the House. For the present I will content myself with making the

claim and supporting my position by quoting a single authorityunus, sed leonem.

On page 6 of the last annual message of President Harrison, sent to Congress December 5, 1892, you will find this statement:

There never has been a time in our history when work was so abundant or when wages were so high, whether measured by the currency in which they are paid or by their power to supply the necessaries and comforts of life.

We were more prosperous in 1892 than in 1872. We now have hard times and have had hard times for three years, but in casting about for the causes and remedies of all our ills it is utterly futile to compare the present with the less prosperous period of 1873 rather than with the more prosperous period ending in 1892. Whatever cause produced the present result commenced to operate and showed its effects after 1892 and not 1872.

WHEAT AND SILVER

It is a favorite sophistry with our friends on the other side to say that "wheat is cheaper now than in 1873." "Silver was destroyed, struck down, and demonetized in 1873," "therefore the fall of silver caused the fall of wheat."

The trouble with that is, that the fall in price of wheat has all,

The average farm price of wheat was 93 cents in 1891 and the same in 1890, and 93 cents in 1888, in gold, while in 1874 it was 94 cents in paper currency, equal to 84 cents in gold. (See Chart

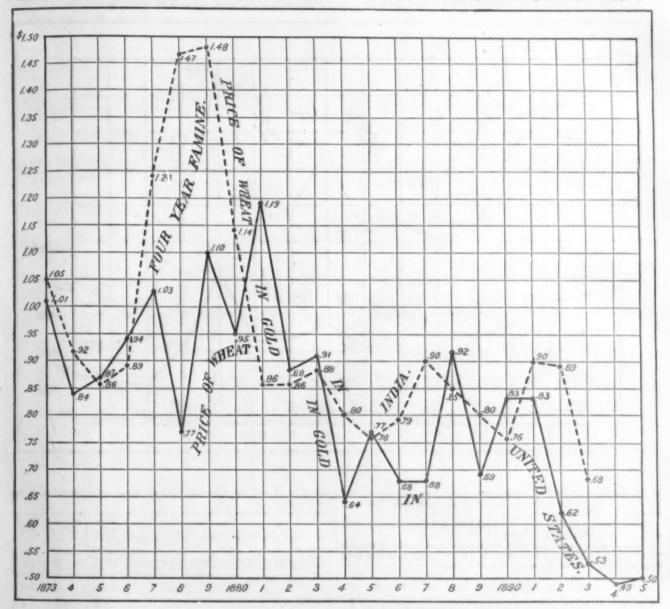
No. 4.)

When was the wheat farmer most prosperous?

Answer.—He got the biggest average price per bushel in 1881, and the biggest pile of gold per acre in 1891.

In proof of the foregoing statement I submit the following table, found on page 6 of the Monthly Crop Report for December, 1895, United States Department of Agriculture.

CHART NO. 2 .- Official British India Blue Book. Figures reduced to dollars and bushels by United States Department of Agriculture, February 5, 1896.



Production, value, price, and exports of wheat since 1880.

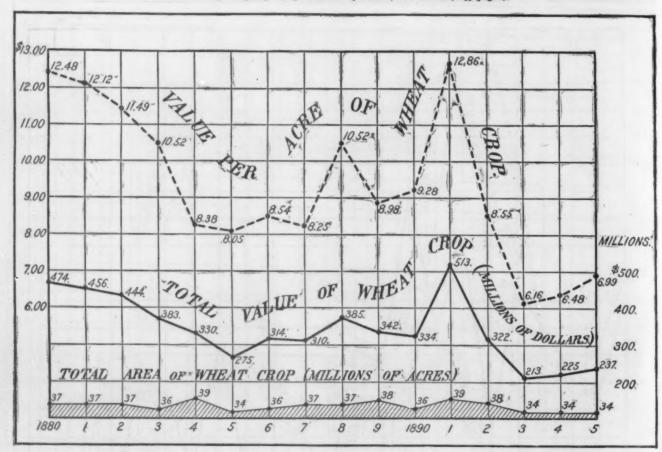
Years.	Total area of crop.	Total produc-	Total value of crop.	Average value per bushel.	yield	Average value peracre.	Exports for fis beginning	cal years July 1.
	57, 709, 029 52, 097, 194 56, 455, 593 50, 475, 885 54, 189, 246 56, 806, 184 57, 644, 783 57, 386, 138 58, 123, 850 58, 087, 154 59, 916, 897 38, 564, 430 34, 629, 418 34, 822, 436	306, 131, 725 400, 207, 416	\$474, 201, 850 456, 880, 427 444, 602, 125 883, 649, 272 890, 882, 230 275, 320, 390 310, 612, 990 384, 291, 707 834, 773, 678 832, 491, 707 834, 773, 678 832, 111, 881 223, 177, 371 225, 190, 025 237, 938, 998	Cents. 95.1 119.2 88.2 91.1 64.5 77.1 68.7 68.1 92.6 90.8 83.8 83.8 902.4 53.8 401.1	Bushels. 13.1 10.2 13.6 11.6 13 10.4 12.4 12.1 11.1 12.9 11.1 15.3 13.4 11.4 13.2 13.7	\$12.48 12.12 11.99 10.52 8.38 8.05 8.05 10.32 8.99 9.28 12.86 8.35 6.16 6.46 6.49	Bushels, 186, 321, 514, 121, 802, 399, 147, 811, 316, 111, 534, 182, 132, 579, 397, 394, 505, 794, 153, 804, 970, 119, 625, 344, 88, 609, 743, 109, 439, 467, 109, 181, 316, 225, 615, 812, 191, 912, 635, 164, 283, 129, 144, 812, 718	21. 22. 98. 36. 37. 41. 81.

[For Chart No. 3 see page 108.]
From the foregoing table I have drawn Chart No. 3. The figures in the table and on the chart are for December each year.
Notice the tremendous drop in December, 1884, and in Decem-

ber, 1892, immediately following each of Mr. Cleveland's elections. Notice the dead level of low prices during the first "four years" and present three years of Grover.

Notice the prompt response of the wheat market to the election

CHART NO. 3.-Crop Report, Agricultural Department, for December, 1895 (page 6).



of Mr. Harrison in 1888. The wheat market promptly discounted the future, as markets always do, without waiting for the ceremony of inauguration day.

These changes in the price of wheat followed immediately after

elections in 1884, 1888, and 1892.

Unless God repeals the laws of nature and of economics, similar results may be looked for in December, 1896. That is the only hope of relief I know of for the wheat farmer.

All other ground Is sinking sand.

Notice in the table and on the chart how remarkably even the area runs—between thirty-four and thirty-nine million acres.

The biggest pile of gold for the whole crop and the biggest pile

of gold per acre was got in 1891.

Five crops under Grover (1884, 1885, 1886, 1887, and 1892) were marketed near the eight dollar per acre mark.

Only one crop (1899) was ever marketed under Republican auspices for less than \$9 per acre, and that lacked only 2 cents of the nine-dollar mark.

The other three crops marketed under Grover (1893, 1894, and 1895) have gone glimmering at \$6.16, \$6.48, and \$6.99 per acre, respectively.

The wheat farmers are not unreasonable. They do not expect to get rich out of one or two years' work, but they do expect to get a decent living and a moderate profit on their capital and This they have not had for the last three years.

It is very difficult to compute the exact cost of raising an acre of wheat. It costs more in some States than in others, more on some farms than on others, and more on some fields than on others,

even on the same farm.

But I think farmers of experience will generally agree that it can not be raised for less than \$6 per acre. If so, there has been no profit on the average in raising wheat for the last three years. Some have gained, but others have lost. Last November I published the following table giving, as near as I could, the expense

per acre of raising wheat in 1895 on three separate fields on my own farm:

	First field.	Second field.	Third field.
Plowing	\$1.23 .50 .25 .75 .75 .25 .50 3.24 1.00	\$1.25 .50 .25 .75 .75 .25 .50 2.70	\$1.25 .50 .25 .75 .75 .25 .50 4.14
Total	8.49	7.55	9.30

Having a railway station on my farm, I allow nothing for hauling to the railroad. This item is often as high as a cent a mile per bushel. My lands range from \$4 to \$10 per acre in value, which makes the item for interest very much below the average.

There has been considerable discussion in the local papers of North Dakota on these figures. Some claim that they are altogether too low; but I think those who have given figures have, without exception, quoted lower costs, except in the two items of hauling and interes

Without specifying items, one may safely say that it is very much cheaper to raise wheat now than in 1873, mainly on account of the invention of the self-binder.

of the invention of the self-binder.

It is also reasonable to assume that the farmer ought to get from \$9 to \$12 per acre for his wheat crop, as he always did under Republican rule, the lowest being \$8.98, in 1889, and the highest being \$12.86, in 1891. With that he would be prosperous and happy. The conditions of 1881 and 1891 can be restored. The conditions of 1873 can no more be restored than you can turn back the world in its history or the earth in its orbit.

"Turn the other way, boys," as Sheridan said. Victory and prosperity do not lie in the direction of stampeding people after

for the silver lance. I have also had prepared at the Department of Agriculture a table giving the farm prices of corn, wheat, rye, oats, barley, buckwheat, potatoes, and hay in December of each year from 1870 to 1895.

United States Department of Agriculture,
Division of Statistics,
Washington, D. C., February 4, 1896.

Dear Sir: I have the honor to hand you statement of the farm prices of principal agricultural products, as promised in our conference of to-day.

Very respectfully,

HENRY FARQUHAR, Acting Statistician.

Hon. M. N. Johnson, House of Representatives.

Average farm price for the United States of corn, wheat, rye, oats, barley, buckuckeat, potatoes, and hay in December of each year from 1870 to 1895, inclusive.

Year.	Corn, per bushel.	Wheat, per bushel.	per	Oats, per bushel.	Barley, per bushel.	Buck- wheat, per bushel.	Hay, per ton.	Pota- toes, per bushel.
1870	\$0.549	\$1.043	\$0.815	90.433	\$0.845	\$0.784	\$13.82	\$0.720
1871	.482	1.258	.790	. 401	.806	. 828	15.82	.500
1872	.398	1.240	.763	. 336	. 738	. 829	14.53	.599
1873	.480	1.150	.763	.874	.915	.814	13.67	
1874	. 647	.944	. 858	. 520	. 921	.808	13.73	.677
1875	. 420	1.000	.760	.365	.811	.710	12.27	.389
1876	.370	1.037	. 669	. 351	. 664	. 726	9.74	. 655
1877	.358	1.082	. 592	. 292	. 639	.687	8,60	. 448
1878	.318	. 777	. 526	.246	. 580	. 527	7.21	.589
1879	.375	1.108	. 656	.331	.589	.598	9.32	. 436
1880	.396	.951	. 756	.300	.666	.504	11.65	. 485
1881	. 636	1. 193	. 933	.464	. 823	.865	11.83	.906
1882		.882	. 615	.375	. 628	. 729	9.70	.557
1883	.420	.910	.580	.330	.587	. 820	8.19	. 420
1884	.357	.645	.519	. 280	.487	.589	8.17	.306
1885	.328	.771	.579	.285	.563	.550	8.71	.44
1886	.366	. 687	. 538	.298	.536	. 545	8.46	. 467
1887	. 444	. 681	.545	.304	.519	.565	9.97	. 68
1888		. 926	.591	.278	. 596	. 636	8.76	.400
1889	. 283	. 698	.457	.230	.427	.518	7.88	. 400
1800		.888	. 629	. 424	.648	.577	7.74	.77
1891		. 889	.774	.315	.540	.579	8.30	.37
1892		. 6034	.548	.817	.472	. 534	8, 49	. 673
1808		.538	.518	.294	.411	.583	8,68	.50
1894		.491	.501	. 324	.442	.556	8.54	. 53
1805	. 264	.500	. 440	. 199	. 337	. 453	8.35	.26

From the foregoing table I have selected wheat, corn, oats, and

hay for representation on Chart No. 4.

[For Chart No. 4 see page 110.]

This chart proves that prices of these farm products did not fall from December, 1878, to December, 1891:

	1878.	1891.
Wheat bushel Corn do Oats do Hay ton	\$0.77 .81 .24 7.21	\$0.83 .40 .31 8.39

Whatever injury was done to the farmer by falling prices was done either while we were under the spell of cheap paper money

one either while we were under the spell of cheap paper money previous to December, 1878, or else after the Republicans lost control of the country, when the crop of 1892 went to market in December, 1892, under the shadows of tariff reform.

Those fourteen years from 1878 to 1892 cover the only period and the entire period in the history of our country when the two cardinal doctrines of the Republican party, viz—

First. Protection to American industries; and Second. Sound money—
had a chance to do their perfect work. The record for those years is made up. They were the years of our greatest prosperity. The truths of history can not be obscured or obliterated.

Distort it as you will, the fact remains that the thirtieth year of the thirty years of Republican supremacy was the best year in all our country's history. That was the year when it was the easiest for the laborer and the wheat farmer to earn gold or to pay debts with the products of his toil. [Applause.]

Let me touch up one other feature of free coinage and I am

		_
India rupees, Mexican 50-cent dollars, or any other kind of cheap free-coinage money. Especially do I appeal to you young, bright,	States—	
and brave men of the Republican party not to concede as if it	In national hanks #1 701 659	, 521
were true what is absolutely laise as to the giornods achievements	In savings banks	, 023
	The tree of the tr	
regretfully have to say, "Thou too!"	one with the companies accessed to the order	, 007
I have gone into this subject of wheat thus at length and in		, 350
detail because it has been more than any other the favorite target		

5, 357, 827, 729 3, 000, 000, 000
 8, 357, 827, 729

I have never seen a certificate of deposit or a policy of life insurance payable in gold coin. This blank certificate of deposit which I hold in my hand is in the usual form.

[Certificate of deposit.]

WASHINGTON, D. C., ____, 189-. No. 109.

Not subject to check.

Without stopping to read it all, I will say that this is the usual form of life-insurance policy [holding up a copy], and the gist of it is in these words:

Does promise to pay to Mary Roe, if living; if not, then to her husband, William B. Roe, his executors, administrators, or assigns, at the office of the society in the city of New York, \$100,000, upon satisfactory proofs of the death of said William B. Roe.

These two classes of liabilities add up \$13,300,430,079.

Under free coinage of silver these banks and companies could set aside one-half of this sum as clear profits with which to start 600,000 brand-new millionaires in business, and with the other half they could buy enough silver bullion to make 13,300,430,079 brandnew silver dollars with which to pay in full all claims of widows,

orphans, and depositors.

[Mr. Johnson of North Dakota declined all interruptions during the delivery of his speech, but promised if time would permit to answer questions at the close, when substantially the following quiz occurred:

Mr. SHAFROTH. Since you have singled out my speech made last night as a text for your discourse, I would like to have about one minute to explain to members who were not present last evening.

Mr. JOHNSON of North Dakota. Oh, no; not for a speech. I

evening.

Mr. JOHNSON of North Dakota. Oh, no; not for a speech. I refuse to yield even a minute for that.

Mr. OGDEN. May I ask the gentleman a question?

Mr. NEWLANDS. May I ask a question?

Mr. JOHNSON of North Dakota. One at a time, gentlemen. I promised to yield what time I could spare of my hour to the gentleman from Pennsylvania [Mr. CHARLES W. STONE] and to the gentleman from North Carolina [Mr. SETTLE]. Therefore, I must be brief, and do not wish to appear discourteous. [To Mr. SHAFROTH:] Ask your question and then sit down. [Laughter.] Mr. SHAFROTH. Well, I will sit down when I care to. Now, in this table which you have here—

Mr. JOHNSON of North Dakota. Which table?

Mr. SHAFROTH. The table which you have marked "page 6 of the Crop Report of the Agricultural Department." This upper curve, as I understand, represents the gold value per acre of the wheat crop?

Mr. JOHNSON of North Dakota. Yes, sir.

Mr. SHAFROTH. And you say that the greatest price for wheat from 1880 down was obtained in 1881?

Mr. JOHNSON of North Dakota. That curve [indicating] is not the price. That curve shows the value per acre, not the price per bushel. These figures [indicating the other curve] give the total value of the crop. The greatest value per acre and also the greatest total value for the whole crop was obtained in 1891, while the highest price per bushel since 1880 was obtained in 1881, but that fact is shown on the other chart.

Mr. SHAFROTH. Can it be possible that the value per acre does not correspond with the price per bushel?

Mr. JOHNSON of North Dakota. Oh, I do not care to answer a question of that kind. The value per acre depends as much on the yield as on the price.

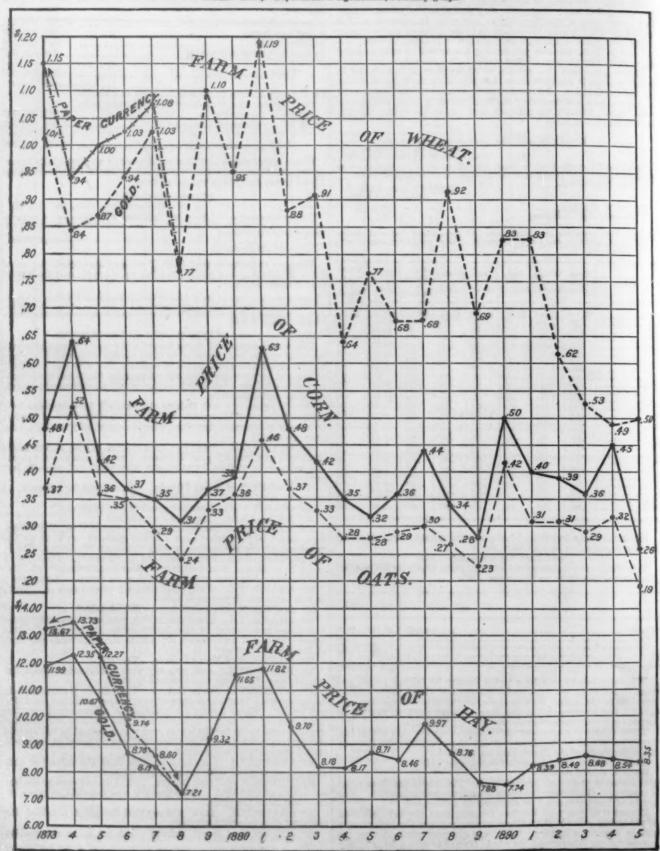
Mr. SHAFROTH. Then, you say that the price obtained for

Mr. SHAFROTH. Then, you say that the price obtained for the total crop was \$513,000,000?

Mr. JOHNSON of North Dakota. Let me make the matter

Mr. SHAFROTH. Answer my question; you do not seem to care to answer me fairly.

CHART NO. 4.—Department of Agriculture, February 4, 1896.



Mr. JOHNSON of North Dakota. Your theory is that on ac-

count of the great yield—

Mr. SHAFROTH. No, sir.

Mr. JOHNSON of North Dakota. You hold that in accordance with the law of supply and demand the price, on account of the enormous yield in 1891, should have been reduced; but in spite of the enormous yield we still realized a handsome price, 83 cents. and the greatest amount of gold per acre that we ever had. The price kept up under Republican rule. My friend, when you come to study about what has caused the depreciation in the price of wheat just commence at the fall of 1892. You need not go back Mr. SHAFROTH. to 1873

Mr. SHAFROTH. Is it not a fact that the best price obtained for wheat was when silver, by reason of the act of 1890, was ap-

preciated to a very great extent?

Mr. JOHNSON of North Dakota. No, sir; the best price we ever got for wheat since 1873 was in 1881, when we got \$1.19.

[Applause.] Mr. SHAFROTH. Is it not a fact that according to your chart in 1891 wheat rose from 69 cents a bushel to 83 cents a bushel be-

in 1991 wheat rose from 69 cents a busher to 33 cents a busher because silver was given some recognition by this nation and some other nations? [Applause.]

Mr. JOHNSON of North Dakota. That is a matter of opinion, so far as the cause is concerned. The fact appears on the chart that wheat rose from 69 cents in December, 1889, to 83 cents in December.

Mr. SHAFROTH. Is it not a fact that the price of wheat in India is and always has been substantially 1 ounce of silver for 1 bushel of wheat? [Cries of "No!" "No!"]

Mr. JOHNSON of North Dakota. I do not see the pertinence of that question, and I do not care to spend time upon it. Here on this chart (No. 2) and also on Chart No. 5 are shown the prices of wheat in India from 1873 to 1893.

(Price of wheat in India is shown on gold basis on Chart No. 2

and on silver basis on Chart No. 5.)

Mr. JOHNSON of North Dakota. I promised to yield to the gentleman from Alabama [Mr. WHEELER] for a question.

Mr. WHEELER. Is it not true that since 1873 the price of

wheat has fallen from \$1.12 a bushel down to 62 cents?

Mr. JOHNSON of North Dakota. In December, 1873, the price was \$1.15 in paper currency, equal to \$2.01 in gold. The other price mentioned by you—62 cents—occurred in December, 1893, and the cause for the drop from 83 cents in December, 1891, I have

fully explained.

Mr. WHEELER. And is it not true that the exports of wheat from the United States have fallen from 210,000,000 bushels down

from the United States have fallen from 210,000,000 bushels down to, in recent years, 42.000,000 bushels?

Mr. JOHNSON of North Dakota. We never exported as much as 200,000,000 bushels of wheat any one year, except in 1891, and we never fell below 100,000,000 except twice, viz, 1885 and 1888.

The table from which I drew Chart No. 3 gives the exports for every year since 1880, and I will insert it in the Record.

Mr. WHEELER. And is it not true that the failure of our exports to Europe has been filled up by exports from the silver countries. India increasing her exports from pothing up to some 60,000.

tries, India increasing her exports from nothing up to some 60,000, 000 bushels; the Argentine Republic from nothing up to about the same amount; Russia increasing hers to 100,000,000 bushels? In other words, have not the various silver countries taken the mar-

ket which we have lost?

Mr. JOHNSON of North Dakota. The silver country India has not taken our market. Ten years ago there was a great scare, founded on the idea that India with her cheap labor was going to take our market. That idea failed to materialize. The Argentake our market. That idea failed to materialize. The Argentine Republic has to a great extent increased its exports of wheat; but not on account of silver. An overwhelming calamity has of late years befallen Argentina in the depreciation of its paper money. [Applause.] Russia is no more a silver country than the United States. They are on a paper basis there.

Mr. WHEELER, India exported 60,000,000 bushels. Where did that wheat go? Did it not go to Liverpool?

Mr. JOHNSON of North Dakota. I do not care where it went. Mr. OGDEN. The gentleman has spoken of a "depreciated silver dollar." Will he show me any silver dollar ever coined by anthority of the United States that has not been as good as a gold

authority of the United States that has not been as good as a gold

dollar or a paper dollar?

Mr. JOHNSON of North Dakota. No, sir; except trade dollars, and I hope we never shall see a silver dollar of the United States of America that is not worth as much as a gold dollar. But we shall do so if the gentleman's party succeeds. If this bill passes this House to-day and the White House to-morrow, then I can show you 500,000,000 silver dollars to-morrow that will be worth only 50 cents each. I can show you plenty of 50-cent silver dollars to-day in Mexico. If you want free coinage silver dollars, you can easily get Mexican dollars two to one in exchange for ours. If you are content to take Mexican dollars—heavier and purer silver than ours—you can easily have wheat at \$1 a bushel measured in that kind of money.

Mr. HALL. Will the gentleman be kind enough to turn back to

the map numbered 6?
Mr. JOHNSON of North Dakota. There are only five of them. Mr. HALL. I think the last one, then. I believe it is num-

bered 6.
Mr. JOHNSON of North Dakota. No; it refers to page 6 of the

Mr. HALL. Very well. I would like to ask the gentleman if he has in the figures to which he has referred a statement to show the number of bushels of wheat raised in the United States during the given period covered by the table to which he refers?

Mr. JOHNSON of North Dakota. Oh, yes; it is here in the same

Mr. HALL. I hope the gentleman will publish that table with

Mr. JOHNSON of North Dakota. I will do so. I will publish in the RECORD both the tables and the charts drawn from them.
Mr. HALL. I should be very much gratified if the gentleman would do so.

Coin Redemption Fund.

SPEECH

HON. ASBURY C. LATIMER.

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES.

Thursday, February 13, 1896,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of cortificates of indebtedness to meet temporary deficiencies of revenue.

Mr. LATIMER said:

Mr. SPEAKER: The subject under discussion has been so fully discussed during the pendency of this and other bills of like tenor that it would seem to be unnecessary for any further debate. Especially would it seem unnecessary for me, since I have on a previous occasion set forth my views fully upon it. But I could not properly represent the district which has honored me with a seat here were I to failto raise my voice in its favor. The people of that district have a right to be heard here in distinct tones upon every question, and as their exponent here for the time being, I

am but registering their judgment.

True, it is hard to present any more forcible reasons for its passage than some we have heard during this debate, but I have a view to present which I hope will open the eyes of honest doubters and cause them to go over the question again from this point of view. For the reason that I have already discussed it at length, and for the additional reason that it is impossible for me in the short time allotted me to go over the whole ground again,

I confine myself to the presentation of this single view.

We are a nation of gamblers, a Congress of gamblers, and even the National Government has recently been gambling on a very large scale. Does that sound like a wild assertion? If so, wait and see, All people admit that betting on cards and horse races and decline in control of the control of and dealing in agricultural futures are gambling. There may be many other kinds, but these are enough for my present purposes.

What are the relations between A and B when A borrows \$20 from B and gives his note due in twelve months for the repayment of a like sum with interest? We commonly say that A borrowed the money and gave his note, but that does not express the condition fully. As a matter of fact, A has sold a contract for the future delivery of money and B has bought a contract for the future delivery of money. This may be a legitimate transaction, and is not to be confused with the gambling future contracts in agricultural products, where no real delivery is intended on one side or expected on the other. If there is a change in the price of money during the time that intervenes between the sale of this future contract for money and delivery day, it will be a loss to one or the other of the parties to the contract. It is a self-evident fact that every note, mortgage, bond, or other written acknowledgment of debt, coupled with a promise to pay in the future, is a future contract for the delivery of money, and therefore a money future.

The Commissioner of Labor in his bulletin for November, 1895,

shows that the minimum public and private debt of this kind is something over \$20,000,000,000. This means that the General Government, the State governments, the cities, the corporations, the farmers, and other persons on the one hand have sold contracts for the future delivery of \$20,000,000,000 in money; and, on the other hand, certain capitalists have bought contracts to that amount for the future delivery of money. Now, those who have amount for the future delivery of money. Now, those who have sold these contracts can make delivery of the money only by exchanging the commodities they have for money, and in direct proportion as the value of money is enhanced, it will require more of these commodities to make delivery under the contract. It follows, naturally, that such capitalists are "bulls" on the money market—that is to say, that they want the price of money to go up—while those who have sold the contracts, if they are true to their own interest, would be "bears" on the money market to this extent: They want to hold the price of money at the same point that it was when these contracts were made. But, unfortupoint that it was when these contracts were made. But, unfortunately, the "bulls" take an active part in dictating the policy of that portion of the "bears" represented by the governments and the corporations, and actually compel the governments and corporations, when they have sold money short, to pay in money that absorbs twice as much commodities as the contract calls for. Now, let me show in what way this has been done.

Perhaps there may be some within the sound of my voice who have heard of the great crime of 1873; if not, I am not going to tell your about it in detail now. I have not time: but I am origing to

you about it in detail now. I have not time; but I am going to to give you what to my mind is a better reason why that action was taken, and to state more clearly the result than any other, perhaps, that has been presented in this connection. There was no gold or silver in circulation in 1873, and the act had no perceptible effect and would have passed unnoticed at the time but for the howl of the politicians who saw a chance to win office by agitation. The real cause for the demonetization of silver in 1873 was because the Government had authorized in 1871 the sale of \$1,500,000,000 coin futures in the shape of coin bonds. A small per cent of these bonds were to run ten years, some twenty years, and the remainder thirty years. Silver was not in use, and the men who bought this \$1,500,-000,000 of Government coin futures expected that long before delivery day should arrive specie payment would be resumed; and in anticipation of that event they saw that by the demonstization of silver when it would not be noticed or felt their coin futures

would become gold futures, and the people would not realize the wrong done them until the near approach of delivery day.

Delivery day is now rapidly approaching, and the moment we remonetize silver we rob it of half its terrors to the people. Let remonetize silver we rob it or hair its terrors to the people. Let me show you why. The \$20,000,000,000 of public and private debt is largely short-time paper, and we have in this country only about, say, in round numbers, \$500,000,000 in gold. Twenty per cent of this is, by usage, to be kept locked up in the National Treasury as this is, by usage, to be kept locked up in the National Treasury as a reserve. At least 75 per cent of the balance is held by the large fiscal institutions that are also the largest purchasers of these money futures, leaving only about \$100,000,000 of gold in existence to deliver on contracts for \$20,000,000,000. This, in my mind, demonstrates the approach of the greatest "corner" ever made in the market. These men have laid their schemes for thirty years to corner the money of the nation. If we play into their hands they are sure to succeed; and success means that the entire wealth of this nation is absolutely at the marcy of this gold ring. If they of this nation is absolutely at the mercy of this gold ring. If they do not take it all it will be simply and purely because they are too

But suppose we discharge our sworn duty to this Government by supporting its true interests and pass this free coinage of silver amendment, what will be the effect? We at once break the corner and rescue those who have sold these futures from distress

corner and rescue those who have sold these futures from distress and disaster; we bring happiness and prosperity to the land without working any injustice to the purchaser of the futures. He will get what he bought, with interest; whereas he now wants to extort a fine from the seller because the seller can not deliver what he (the buyer) has cornered. It is an act of simple justice and right to break up such gambling schemes.

Mr. Speaker, I do not wish to say anything unparliamentary, and I shall endeavor not to do so; but I have shown that this Government is a debtor, and it is well known that the debt has been largely increased in the last two years. It has over \$700,000,000 of thirty-year contracts for the delivery of coin outstanding, which mature in the near future, and how any man who has been elected to a position in this honorable body can keep from feeling like a traitor to his country when he votes to strike down feeling like a traitor to his country when he votes to strike down silver and meet these obligations with blood-bought, sweat-bought,

and conscience-bought gold is more than I can understand.

The far-fetched pretext on which these recent issues of bonded debt have been predicated still exists, ready to the hand of an Executive who strangely insists upon viewing this whole question from the standpoint of the Government creditors rather than of the Government which he is supposed to represent. Under that pretext a thousand millions of debt will be added, we are told by he spokesman of the Administration on this floor. But when thousand millions shall have been issued, this same pretext will still be at the hand of Wall street tools for successive issues of bonds without limit until the Government is bankrupt or an outraged people rise in their majesty and drive the money changers out of the temple of liberty. It requires nothing of prophetic power to foresee that it must come to this unless the people's representatives here and now break the fetters being forged upon the people's hands.

Silver-Free Coinage.

SPEECH

HON. THOMAS G. LAWSON.

OF GEORGIA.

IN THE HOUSE OF REPRESENTATIVES.

Thursday, February 13, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. LAWSON said:

Mr. SPEAKER: In the short time allotted to me I can not undertake a thorough and elaborate discussion of the pending bill in all its bearings, and will content myself, therefore, with the expression of a few general principles sufficient to define my position. I do not underrate the importance of the question; its right determination involves momentous consequences to the business and to the future prosperity and happiness of the people. The proposition is that our Government shall enter upon the free and unlimited coinage of gold and silver at the ratio of 16 to 1 without reference to what other countries may do, or, in other words, that we shall change our present financial system, which is in accord with the systems of the other great commercial countries, and adopt a new system exclusively for ourselves and entirely different from theirs. The statement of the question ought to suggest doubt as to its accomplishment and as to its propriety and value if accomplished, for in modern times nations are not isolated. Steamships, ocean cables, and reciprocal commercial intercourse have brought them into very close relations and sympathies; they are effectually a unit in commercial enterprises and monetary appli-

I am in favor of neither gold monometallism nor silver monometallism, but of bimetallism, consisting of the standard of value that we have had for the past sixty years, with as much silver as we can possibly circulate on an equality of value with gold, and in addition thereto I fayor a banking system that will enable all our people to use their capital and their credit in furnishing an adequate quantity of safe and sound paper money, convertible into the coins, for use of the people. It seems to me that the system of finance that I have described is the best system for this country and I oppose the free pullimited and independent into tem of finance that I have described is the best system for this country, and I oppose the free, unlimited, and independent coinage of silver at the ratio of 16 to 1 because it will inevitably prevent the inauguration of that system. When in the early days of the Republic the free and unlimited coinage of gold and silver was provided for it was done as a means to an end, the end being the securement of sound money. The scheme was practicable then because the relative value of gold and silver at the mints was the same as their relative value in the markets; their coin value and their intrinsic value were approximately the same. Both Hamiltheir intrinsic value were approximately the same. Both Hamilton and Jefferson, the respective leaders of the diverging lines of political thought, were in thorough accord on this question, and both conceded that the mint ratio must be ascertained by a comparison of the relative value of gold and silver in the markets of those countries with which we sustained commercial relations, and having ascertained that the relative value of those metals in those countries was about 15 to 1, they established that ratio here. But conditions change in a hundred years; what was feasible and safe and wise then may be very dangerous now. For their system of coinage we substitute a system in conformity with the changed conditions just as we substitute steam cars, steamships, and telegraph lines for their wagons, sailing vessels, and pony expresses, and it would be just as wise for us to readopt their methods of transportation and transmission of intelligence as it would be to

transportation and transmission of intelligence as it would be to reestablish their coinage laws.

I believe as firmly as I believe anything that depends on the testimony of human experience and the dictates of common sense, that the free, unlimited, and independent coinage of silver at the ratio of 16 to 1, under modern conditions, would result in silver monometallism; that it would destroy the existing measure of value, expel gold and all money better than itself from the circulation, cut off at least one-half the circulation we now have, destroy credit and confidence, which are more essential to our progress and prosperity than either gold or silver, and produce such a chaotic condition of the finances as to bring upon the country more widespread and irretrievable ruin and distress than it has suffered in its entire history.

The history of all nations of modern times, those having the gold standard as well as those having the silver standard, conclusively

the history of an introns of modern times, those having the global standard as well as those having the silver standard, conclusively demonstrates that it is impossible for gold and silver money to circulate concurrently when they are coined at a ratio of value different from the commercial value of the bullion. Governments do not add anything to the value of either metal by coining it;

they put them into convenient shape for use, and merely certify, for the convenience of those who use them, that the coins are of a given weight and fineness. None but Deity can create value from nothing. The United States, England, France, and Germany have, during their history, all engaged in the free and unlimited coinage of gold and silver at a fixed ratio, and neither one of them has ever succeeded in circulating both coins at the same time when there was a divergence between the mint ratio and the market ratio. Mexico and other free-coinage nations are attempting to do so now and are making wretched failures. I know it is said that France maintained the parity of the two metals seventy years by her coinage laws, but the statement is not true, as anyone may ascertain who will take the trouble to inform himself.

During that period France, just as we did, had a silver standard when silver was relatively cheaper than gold and a gold standard when gold was relatively cheaper than silver, and when she found in 1874 that, owing to the fluctuations in value of the two metals, the parity between them could not be maintained, she suspended the coinage of silver. The statistics of the operations of her mints, the importations and exportations of her gold and silver, the fluctuations of her exchanges, and the testimony of distinguished writers and of intelligent travelors all evidence her inability to maintain the parity of the metals. It is important to note also that while France was engaged in her efforts to maintain the equality of the two metals she had the assistance of other commercial nations, and yet their combined efforts proved abortive. When I consider the history of other great and powerful nations that have, either singly or combined, failed to maintain the parity of gold and silver when coined at a ratio different from the market ratio, I am forced to believe that the people who insist that the United States alone can maintain their parity by their free, unlimited, and independent coinage at the ratio of 16 to 1 when their market ratio is 32 to 1 are laboring under some delusion or hallucination, or that they are not fully informed as to the experiments of other nations on this line. And yet I know that many able and honest men do believe in the theory.

A brief résumé of the experiments of our own country it seems to me ought to convince any man of the fallacy and impractication.

A brief resume of the experiments of our own country it seems to me ought to convince any man of the fallacy and impracticability of free coinage of silver in the manner proposed. Our first experiment was at the legal ratio of 15 to 1, because that was at the time supposed to be its market ratio. Very soon afterwards the price of silver declined in the market, the gold coins left the country, and our commerce settled down upon a silver standard. To correct the evil Mr. Jefferson, in 1805, while he was President, suspended the coinage of silver, and it continued suspended until the year 1834. In the latter year Jackson, Calhoun, Benton, and other distinguished statesmen undertook to restore the circulation of gold in the country, and in 1837, to effect that object, aided in changing the ratio to 16 to 1.

Under the first ratio it was decreed that 1 pound of gold should be worth 15 pounds of silver at the mints, and under the last ratio it was decreed that 1 pound of gold should be worth 16 pounds of silver. I pause to ask why the change was made? If the Government could not maintain the equality of the coins when there was only about 2 cents difference in their value as bullion, how is it possible now to maintain their equality under free coinage when there is a difference of nearly fifty cents in their bullion value? It is evidently impossible; and any effort to do so would plunge us at once into silver monometallism. But a mistake was made in fixing the ratio at 16 to 1. Silver was undervalued, and consequently disappeared from the circulation, leaving gold, the cheaper metal at the mints, to take exclusive possession of the field, and to become our commercial standard of value. After the establishment of the last ratio silver change became so scarce in the country that Congress in 1853 found it necessary to reduce the quantity of silver in our fractional coins and so to cheapen them that they would not be sent to foreign lands. They debased the silver in these fractional coins so that two half dollars would contain 28½ grains of standard silver less than a silver dollar. Such is the history of the establishment of the gold standard or measure of value in this country. It occurred under the Administration of General Jackson in 1837, and has continued to the present time, except during the war period. Notwithstanding the mints were open to the free and unlimited coinage of silver, very little silver sought the mints, and during the first eighty years of the history of the Republic less than nine millions of silver dollars were coined, and I doubt whether any person in my presence ever saw one of them outside the cabinet of a collector of curios.

Why? It was because silver was more valuable in the markets than it was at the mints; and for the same reason no gold would be coined now if we were to open the mints to the free coinage of silver at 16 to 1. Gold would be more valuable as a commodity than as money. Nearly all the silver in circulation from the year 1792 to 1878 were foreign coins, and they were, after the year 1857, a legal tender in small amounts only. Thus the coinage stood in

1873, when the act so much inveighed against was enacted. It did not originally establish the gold standard; it had been established by commerce more than thirty years prior to that time, and the act only enacted into law what already universally existed in this country by the laws of trade and custom. Silver was not demonetized by the act. It was only denied mint privileges; It is not demonetized now; the silver dollar is not redeemable in anything, and is a legal tender for all debts, public and private, and to any amount. If it is not now standard money, or money of ultimate payment, I do not understand what the terms mean. If there had been any purpose by the act of 1873 to distress the debtors of the country by compelling the payment of debts in money of a higher value than parties had reference to when contracts were made, I suppose that the silver standard would have been adopted, as silver was then of higher relative value than gold. But all debts existing at that time were contracted with the expectation of being paid in gold, inasmuch as legal-tender silver had not been in circulation for more than thirty years. But standards of value are not, in my judgment, created by legislation. Measures of value are evolved out of the processes of thought, conference, disputes, and arguments that occur among the millions of traders throughout the world. In intelligent and prosperous countries, where the contracts between citizens are large and commerce is extensive, gold as a measure of value is preferred, because it is a more suitable and efficacious instrument of exchange. And for the same reason silver, as a measure of value, is preferred in countries of meager and unimportant trade and commerce.

Money and vehicles of transportation are media of exchange and bear a close analogy. Enormous locomotives and trains of cars are required to transport the products and commerce of some countries, while camels and pack horses amply suffice for the carrying trade of others. Gold is necessary for the former class, while silver and copper more conveniently do the business of the latter class. As the measures of value are not enacted by legislation, they can not be safely interfered with by legislation. When a legislature steps in between citizens while engaged in mutual contention as to price of commodities which they are engaged in buying and selling, it is an interloper; it may say in what currency its taxes may be paid, or a debt be discharged, and that is as far as it can go. When it attempts to go further it antagonizes a law superior to itself, a law evolved from the self-interest of men, and which ordains that each man for himself shall determine what he shall pay for what he has to buy and what he shall accept for what he has tosell. Out of such processes measures of value are evolved, and no government is able to say what its standard shall be, and to enforce it, unless it be the standard thus evolved. So long as legislation coincides with natural laws we have no trouble, and we ought to remember that the laws or fixed principles established in finances are as fixed and stable as the law which regulates the ebb and flow of the tides of the ocean. The standard or measure of value, therefore, is fixed by buyer and seller, and not by debtor and creditor, and if the government attempts to fix a standard of a different kind it must inevitably fail. If, therefore, we attempt to make gold and silver both a measure of value, we must coin them at their commercial ratio, and not at an arbitrary ratio which disregards the relative value of the metals in the markets.

The standard everywhere fixed relates to equivalent. Where a

The standard everywhere fixed relates to equivalent. Where a man exchanges a commodity, he is entitled, under the first principles of justice and morality, to receive its exact equivalent in value in some other commodity. If a man exchange a quantity of wheat for a quantity of corn, the quantity of one ought to be exactly equal in value to the quantity of the other. If a man exchange a quantity of cotton for a quantity of silver, as a medium of exchange, the quantity of silver ought to be exactly equal in value to the quantity of wheat or other commodity which he expected to be able to buy with the proceeds of his cotton. Every purchase and sale is indirectly a barter, an exchange, a swap of one article for another. We use money solely for convenience, as a medium of exchange only, a vehicle to carry the article we sell to the purchaser and to bring back the articles which he has and which we desire to buy.

In contemplation of economic principles every purchase and sale is indirectly a barter. Therefore the money paid and received, in order to conform to the principles of justice and good morals, must, when valued as a commodity, as bullion, or as the representative of money, be exactly equal in value to the commodity for which it is exchanged. Unless it is so he who receives the money is cheated and the principles of justice and good morals are violated. The law may compel a creditor to accept a given kind of money in discharge of a debt, but it can not compel the owner of commodities to accept any kind of money against his will in the sale of them. Rather than sell on such terms he will prefer to keep his commodities. The Government may coin 50 cents' worth of silver and call it a dollar, and compel creditors to take it; but it will not be a dollar, and no man will sell his produce for it and

accept it as a dollar; and none but existing creditors can be thus defrauded, for care will be taken in all future contracts to provide against loss from the depreciated dollar.

Men engaged in the business of buying and selling, giving and

receiving gold and silver in exchange for commodities, government undertook to coin either metal. Both gold and silver at the time had a commercial value, and each trader weighed and tested it for himself, and formed his own opinion as to its value Gold and silver were afterwards coined for the convenience of traders; the Government certified its weight and fineness in order to save the trader the trouble of weighing in every transaction. The quality of a legal tender was never affixed to it transaction. The quality of a legal tenuer was never until arbitrary rulers conceived the idea of forcing their debased, and apprious coins upon their subjects. They succeeded clipped, and spurious coins upon their subjects. They succeeded in forcing them upon creditors, though they failed to circulate them, although they affixed a death penalty to every refusal to No man had anything to sell when such money was The idea that any government can give a fictitious value to metal simply by coining it is of modern origin. I think it had its origin after the United States issued legal-tender paper money. It is certain that Washington, Hamilton, Jefferson, Madison, Jackson, Benton, and other great statesmen of the earlier days were never tainted with such fallacies

It is argued now that if the mints of this country were open to the free, unlimited, and independent coinage of gold and silver at the ratio of 16 to 1 that such a demand for silver would be created that all the silver in the world would immediately advance in price from its present market ratio of 82 to 1 to a ratio of 15 to In price from its present market ratio of 33 to 1 to a ratio of 15 to 2; or, in other words, that all the silver in the world would be immediately doubled in value. Too many intelligent and honest gentlemen maintain this proposition for us to dismiss it by characterizing it as absurd. True, the proposition is contrary to the testimony of human experience as developed in the history, past and present, of all nations, civilized and barbarian, and true, also, that the advocates of the proposition do not advance a single fact in support of it, but ask us to accept their arbitrary assumption for proofs yet it is supported by such an array of numbers as to for proofs; yet it is supported by such an array of numbers as to

merit some examination.

They speak only of a demand for silver and leave out altogether another great and necessary factor in determining the value of all things, namely, supply. To circulate gold and silver coins on an equality of value their relative value at the mints must be the same as their relative value in the markets. So the history of all nations teaches without a solitary exception. The value of a thing nations teaches without a solitary exception. The value of a thing in the market depends on the supply of it and the demand for it. If these remain relatively the same without change of conditions the price will be steady; if they do not remain relatively the same prices will fluctuate. The mint demand for gold can not increase, prices will fluctuate. The mint demand for gold can not increase, for nearly all the mints in the world are already open to its free coinage. When there is an increased demand for anything there is increased production; the cupidity of mankind may always be depended on to produce everything that there is an increasing de-

mand for.

Under the stimulus of a new demand the production of silver would increase, while there would be no increase in the demand for gold. The proposition of the free-silver advocates therefore involves the hypothesis that two articles without change in de mand for them, yet constantly varying in the supply of each, will permanently sustain absolutely the same relative value. They must throw more light upon it before I can assent to a proposition must three more light upon it before I can assent to a proposition so contradictory of all economic laws. But is the assumption true that an unlimited demand for silver will set in whenever it is allowed free coinage? The mints can not at once convert all the silver bullion into coin; indeed, there is enough bullion already in the Treasury of the United States to employ all the mints to their utmost capacity for several years. There must necessarily be a surplus somewhere that can not be readily coined, and such surplus will be valued in the markets independently of the potentiality of its coinage into money. Inasmuch as it can not be used no there could be money in its bullion state, and can not be used in other countries as money, it must be rated at what the surplus will fetch in tries as money, it must be rated at what the surplus will fetch in the market after it is coined. It will not stand on the same foot-ing with gold bullion, for gold has a uniform market value through-out the world and is as valuable in its bullion state as it is when coined.

In point of fact there can not be an unlimited demand for any-thing except in a philosophical, speculative, or theoretical sense. To suppose an actual unlimited demand for anything is absurd, mand is always limited to certain needs or conditions to which it is responsive. When these are met and satisfied the demand ceases. Demand should not be confounded with desire. The demand for money is indefinite, but it has limitations that may be described. An individual demands money to carry on his business or to supply himself with comforts and luxuries, but his demand can not exceed the property and credit he has to give in exchange for it, though his desires may extend much further.

A nation's demand for money can not exceed the aggregate property and credit of its citizens. Its demand never equals these sources of wealth, and can not, in the nature of things, exceed them. The demand can not therefore be unlimited. But whatever the demand for silver might be, the time must soon come when the country would be so saturated with silver money that it could not be absorbed in business. The output of silver mines has increased from \$81,000,000 in 1878 to more than \$200,000,000, so that all the mints, and perhaps an increased number of them, so that all the mints, and perhaps an increased number of them, would be kept in full operation turning out silver money that could only be used in this country. The time would come when we should need no more. What then? We must either continue to coin and pile it up while its value would decline, as the value of Confederate money declined from excessive issue, or the coinage must be stopped, in which event the allver taken from the mines afterwards must become a great surplus to drag down the value of all other silver, coined and uncoined. If we continue the coinage we shipwresk mone Scylla, and if we ston the coinage value of all other silver, comed and uncoined. If we continue
the coinage we shipwreck upon Scylla, and if we stop the coinage
we shipwreck upon Charybdis. The argument in favor of free
coinage, it seems to me, proceeds upon a misapprehension as to
what creates a demand for money. What creates the demand
for flour? Not mills, but hunger. What creates a demand for
clothes? Not factories, but nakedness. What creates the demand for money

Not mints, but business, commerce, wealth-something to sell. The only method for creating a demand for money is the increase of business and wealth. If all the silver in the world were coined it would remain in the hands of the original owner until evoked it would remain in the hands of the original owner until evoked by the demands and necessities of business; it would not be given away. A demand for money implies that there is either property or credit to employ it, and those who get it must give something in exchange for it. If it were good money it would cost as much as it does now, and if it were cheap money it would do harm. Very little silver money is in demand now. Millions of it he in the Treasury, and the Government is unable to force it into the circulation, though it offers to pay its way to the uttermost parts of the country. The people do not want it and will not have it. They reject it, not because they distrust its value as a circulating medium, but because it is too heavy, bulky, and inconvenient. True, the silver in the Treasury is represented in circulation by paper certificates, but this circumstance proves circulation by paper certificates, but this circumstance proves that the people prefer paper money to silver. The Government ought, therefore, to respond to the demand of the people for paper money, ought to medify its banking laws so as to allow the issue of a safe and sound paper currency, sufficiently abundant for all business requirements, rather than to further enrich the most gigantic moneyed monopoly of silver mine owners the world ever

But, I repeat, the coinage of silver will not raise the bullion value. No one pretends that the coinage has any effect upon the value of gold bullion. It is worth as much in one form as another, and worth the same the world over. Because our silver now circuand worth the same the world over. Because our silver now circulates on an equality of value with gold many people suppose that it would do so under the operation of a free-coinage law. But under free coinage the conditions would be vastly changed. Of the \$500,000,000 of silver coins now in the country, every piece was coined on Government account. It bought the bullion at its market value, coined it at the ratio of 16 to 1, and paid it out as the equivalent of gold dollars. For every silver dollar parted with the Government has received the equivalent of a gold dollar. It is therefore bound by every principle of justice and sound morals to maintain its value on a gold basis. Recognizing that obligation, it has pledged itself to do so and does do so. Its value is maintained by its receipt every day for taxes and other dues the Government. For the reason that the Government collects every year more taxes than there are silver dollars to pay them with, every silver dollar in the country may be redeemed, so to speak, at least once every year. Therefore no man hesitates to accept it, yet, strange to say, no man—not even a free-silver advocate—ever hoards it as other money is hoarded.

In my opinion, much more silver than we now have could be

In my opinion, much more silver than we now have could be and third sections of the bill, which provide for could be safely put in circulation, and I would chearfully vote for the second and third sections of the bill, which provide for coining the silver bullion in the Treasury, were they severed from its obnoxious features. By means that I have stated, the Government has maintained a bimetallic circulation by fixing on the superior metal as a standard, and then coining the inferior metal under such limitations and conditions as will insure its parity with the superior metal, and in that way only can a bimetallic standard be maintained so long as there is any material divergence in the relamaintained so long as there is any material divergence in the relative market value and mint value of the two metals. For the moment that the coins of the inferior metal exceed the demand for them for the payment of public dues they will depreciate. They do so in obedience to as forceful and as necessary a law of the business world as the law of gravitation in the physical world, and no human legislation can prevent it until it invents some device whereby the voluntary choice of mankind may be controlled.

The free, unlimited, and independent coinage of silver is an entirely different process from that now employed by the Government in the coinage of silver. Free coinage contemplates that any person, citizen or alien, may carry 52 cents worth of silver, which is now the bullion value of a dollar, to the mints, and by some species of legerdemain or witchcraft have it converted into a dollar worth 100 cents. To a man uneducated in the sophistries of free-silver literature such an achievement would seem impossible, and so it is. It is admitted by many free-silver advocates that the stamp of the Government adds nothing to the coin. What then would be the obligation of the Government under free coinage? receive the silver bullion at the mints, coin it into dollar pieces, and return them to their owner, and assume no obligation respectand return them to their owner, and assume no obligation respecting them whatsoever. The dollars would be worth just what they would exchange for in the market, no more and no less. They may serve as good dollars in the payment of existing debts, but in the purchase of property, which is the highest function of money, they will be worth only what the silver in them is worth. They would circulate just as greenbacks and Confederate money is always the way appeals of a valuation fixed on they circulated during the war, namely, at a valuation fixed on them in the markets, and when received by the traders would be hurriedly passed off on someone else before they could go down on his hands, thus leading to general and gigantic speculation, to chaos in legitimate business, to the destruction of credit, and the revention of all contracts depending on deferred payments. in that event gold and all better money than silver would disappear from circulation in obedience to a natural law of money, which is as certain and inexorable as the diurnal revolutions of the earth.

And whom would free coinage benefit? Unless the collection of debts were enforced prior to its operation it would benefit existing debtors by enabling them to discharge their just obligations in depreciated money. And who are the principal debtors of the country? Not the poor people, for they have not the ability to contract debts of any considerable magnitude. The principal debtors are railroad companies, banks, savings banks, life insurance and fire-insurance companies, mining companies, trust companies, manufacturers, large mercantile companies, States, cities, corporations, etc. These companies and corporations owe the people of this country more than \$10,000,000,000, and the payment of their debts in 52-cent dollars would result in a net gain to them and in a net loss to other people of more than \$5,000,000,000.000. The very rich, then, would desire some temporary advantage from the free coinage of silver. Who are the creditors that would be injured? The moderately well-to-do people, widows and orphans, and the laboring classes, including in that class all people who are paid for their services in money. It is not generally known, and yet, if I am not mistaken in the statistics, it is true, that more money is annually paid for labor in this country than for all other commodities combined. They do not get their wages until their work is performed, and hence they are the largest class of creditors in the country, and are mainly made up of people who are least able to endure losses. It is an elementary fact that, under the stimulus of a depreciated currency, wages do not advance in price pari passu with advancing prices of other articles. The laborer must continue to work for the same wage, though it will not purchase in the market the same quantity of commodities as he formerly purchased when he received sound money. Anything, therefore, that tends to depreciate bis wages is a calamity to him.

But it is argued that the suspension of the free coinage of silver has caused prices to fall throughout the world.

has caused prices to fall throughout the world. If there is any truth at all in this contention it has been very much exaggerated. The decline in the price of silver is a coincidence, and not the cause of other declining prices. If the fall in the price of silver were the cause of the low prices of other articles, then the decline in prices ought to be uniform in degree and universal as to all commodities, neither of which is true. Silver has fallen nearly 50 per cant, while the prices of other articles have fallen in different degrees, both in their relation to silver and in their relation to each other. There is no uniformity whatever. They sometimes fall as silver rises, and rise as silver falls, and sometimes, as compared with each other, rise and fall inversely at different times and in different degrees. Among my constituents cotton is the chief commercial product, and it is claimed that the fall of filver, owing to its exclusion from the mints, has seriously affected its price.

An examination of its statistics for the last hundred years shows most conclusively that its price under ordinary conditions is determined by the quantity produced; that supply and demand are the controlling factors in settling the price. And if we examine the price during two monetary crises we find that from 1841 to 1850, inclusive, with a total production of 21,000,000 bales, the lowest average price in New York was 6\(\frac{1}{2}\) cents per pound, and that from 1886 to 1895, with a total production of 75,000,000 bales, the lowest market price in New York was 8\(\frac{1}{2}\) cents per pound, being a difference of \(\frac{2}{2}\).83 per bale in favor of the last ten years. Both these decades witnessed a great financial panic—the

first decade under the free coinage of silver and the gold standard, and the last under a gold standard and without the free coinage of silver. We also find that from 1851 to 1860, which decade is considered the most prosperous period the country ever enjoyed prior to the war, the average price of cotton in New York was 11.31 cents per pound, and from 1875 to 1884, the most prosperous period since the suspension of silver coinage, the average price of cotton in New York was 11.86 cents per pound, being a difference in favor of the last decade of \$2.75 per bale.

During the last decade mentioned the cost of producing and transporting existent was nucleiboxer and the placeter was nucleicles.

During the last decade mentioned the cost of producing and transporting cottom was much lower, and the planter received a relatively higher price than the figures indicate. Cotton is produced cheaper now than it ever was before; mules, plows, iron, wagons, guano, packing, ginning, transportation, food, clothing, labor (requiring less to feed and clothe it) are all cheaper, while the skill of the farmer is very much greater, and yet occasionally we sell our cotton below the cost of production. The figures which I have given prove conclusively that the price of silver, whether it enjoys free coinage or not, has not affected the price of cotton. I do not deny that prices of commodities have fallen everywhere; falling prices, arising from cheaper production and distribution, are a benefaction to the world. I am an advocate of cheap corn, pork, flour, clothing, etc., and I hope that the time is rapidly approaching when the cotton planter can produce and sell cottom profitably at 2 cents a pound. We could not contribute a greater boon to suffering humanity. But if it were conceded that falling prices were the direct sequence of the exclusion of silver from the mints the question would still recur: Can this country alone restore it to free coinage without descending to the ruinous silver standard? If the dozen countries engaged in free coinage prior to 1873 could not hold it on a level with gold when their relative value in the market only differed about 5 cents in the dollar, how can this country alone, being one of the dozen, raise it to a level with gold when their relative value differs about 50 cents on the dollar? The question answers itself. Everyone knows that if it requires the combined strength of twelve men to draw an object a given distance, the strength of noither one of them singly will suffice to draw it back again.

will suffice to draw it back again.

Falling prices may be largely accounted for by considerations disconnected with the free coinage of silver. Within the last thirty years the world, and especially our country, has marvelously advanced in intelligence, ingenuity, and inventions, and the area of production has enormously expanded. A Western man can produce as much wheat, it is said, as 400 persons, at a reasonable allowance, can consume. I presume that a Southern farmer can produce correspondingly as much cotton. Mulhall, the great English statistician, says that—

An ordinary farm hand in the United States raises as much grain as 3 in England, 4 in France, 5 in Germany, or 6 in Austria, which shows what an enormous waste of labor occurs in Europe, because farmers are not possessed of the same mechanical appliances as in the United States.

And yet many of our people continually hold up France as a model of prosperity and happiness, that we ought to emulate. Such gentlemen ought to give more time to the study of the economic forces and conditions of the two countries.

nomic forces and conditions of the two countries.

We all know that as labor-saving devices have been invented all things to which they apply can be produced upon a cheaper scale, and we all know that the cost of transportation and distribution has been enormously cheapened. Although wheat is cheaper in the West and cotton cheaper in the South, the universal testimony is that the farmer in either section who manages his affairmony is that the spirit of speculation, by which I mean the disposition to neglect the cultivation of other valuable crops and to stake all on cotton has wrought more injuryto the cotton planter than the suspension of silver coinage can possibly do.

Again the advocates of free coinage say that the exclusion of silver has cut off one-half the primary money, or money of ultimate redemption, and by that means brought ruin and disaster upon the people. Suffice it to say that when the condition of finances is such as to inspire confidence very little primary money is needed. All that is really needed is to settle international balances of trade. Only 5 per cent of the business of the country depends on the actual payment of money, and but little of that is coin of any kind. The balance is done with credits of various kinds. Since reaching manhood I have been engaged in business for myself and others, and have perhaps witnessed the passing of several millions of money and credits, and I have never yet witnessed a demand for primary money. Furthermore, I have never heard of such an instance in Georgia.

These facts show how insignificant is the use of primary money in the transactions of ordinary business. But when a panic comes no financial system ever devised will escape unharmed and supply sufficient primary money; if all the gold and silver ever dug from the mines were coined into money it would not suffice for such crises. But, in point of fact, it is not true that the stock of primary money in the United States has been cut off. When the

coinage of silver was suspended in 1878 there was not a dollar of either gold or silver in general circulation, and yet the advocates of free silver say that that was the most prosperous period that the country ever enjoyed, and they date our downfall from that eventful epoch. If we were so prosperous then without any primary money why can we not prosper now without it? It should mary money why can we not prosper now without it? It should be remembered also that the circulation per capita then was much smaller than it is now. But since 1873 there have been added to our stock of primary money some six hundred millions of gold and four hundred millions of silver dollars, each one a legal tender in payment of all debts, public and private. If our prosperity depends on primary money we ought to be a hundred times more prosperous now than we were in 1878.

If the free coinage of silver at the ratio of 18 to 1 would being

prosperous now than we were in 1873.

If the free coinage of silver at the ratio of 16 to 1 would bring us to a silver basis, as I confidently believe it would, no greater calamity, in my judgment, could befall the cotton raiser. His product commands gold in any market, and nearly two-thirds of it is sold in countries having the gold standard of values. No change in our monetary system, nor in our standard of value, would affect the value of his cotton in the foreign markets. The price of that portion sold and consumed in this country would continue to be fixed, as it now is, by the foreign price. Abroad he would receive gold, and at home the equivalent of the foreign price in silver, less charges that I will presently mention. How. he would receive gold, and at home the equivalent of the foreign price in silver, less charges that I will presently mention. How, then, would he be benefited in the price of his cotton by the change of the gold standard of sixty years' standing in this country to a silver standard? If, by reason of depreciated silver, the prices of all articles in this country were to be doubled he must still accept the foreign price for his cotton measured in silver at

What advantage would that be to him? Being a cotton planter myself, and otherwise having a large pecuniary interest in the success of other cotton planters, I am vitally interested in this question. While there is no advantage to him, beyond doubt there will be losses. While the price of cotton is fixed in the foreign market, very few planters sell in that market. They find it more profitable to sell in the nearest home market, and the buyer must in that event provide himself with either silver or silver cerin that event provide immed with either shver or shver certificates to make payments. He, the buyer, must exchange the gold that he receives, directly or indirectly, in the foreign market for this silver or paper. Does any sane man imagine that the cost of the brokerage charged for exchanging the money will not be

discounted from the price of the farmer's cotton?

Again the buyer, paying in one currency and selling in another, if he be an intelligent business man, must take into the account the probable relation of the two currencies when he comes to sell. He must sell for as much as he paid, with a reasonable profit added, and if there is any probability of the fluctuation in value between gold and silver, as there always is, he must protect himself against any loss, and this anticipated loss will always be discounted in advance from the original price paid the farmer. In other words, the cotton producer must accept silver for his cotton, although it brings gold in the markets to which it is sent, and must also insure the buyer against any loss arising from the fluctuating value of gold and silver while the cotton is in transitu from

his home to Liverpool.

his home to Liverpool.

The farmer pays both the cost of brokerage and the insurance described. Inevitably so, provided the buyer is a man who understands his business. Again, the same charges would fall on him if, impelled by his tastes or his necessities, he should purchase articles imported from a gold-standard country. The importer, wisely providing against loss, would include in the prices of his goods the cost of brokerage in converting the money received for them in this country into the money of his own country, and also any anticipated loss accruing from the fluctuations in the curthem in this country into the money of his own country, and also any anticipated loss accruing from the fluctuations in the currency of the two countries from the time his goods left his country until their proceeds were received by him in his own country. No intelligent merchant would think of doing otherwise. His goods, owing to the different measures of value prevailing, would be, in effect, measured by one yardstick in his own country and by a yardstick of different length in this country, and to the farmer weuld fall the losing end of the bargain.

Again, the cotton producer must of necessity sell a large quan-

Again, the cotton producer must of necessity sell a large quantity of his cotton in foreign markets; we can not manufacture it all here. It is to his interest, therefore, to encourage foreigners to trade with us. They can not buy our cotton unless we buy their trade with us. They can not buy our cotton unless we buy their products, and such trading is to our mutual advantage. But the silver standard works a prohibition upon trade with nations on the gold standard. I will not pause to say why it is so, for everyone can see it for himself, but will simply cite the experience of existing silver-standard nations as proof of it. Señor Romero, the accomplished minister from Mexico to our Government, has, in a magazine article, candidly admitted that the silver standard has worked that affect in his own country. If we do not exchange our worked that effect in his own country. If we do not exchange our cotton for goods with England, France, and Germany, they will find a way to produce cotton in their own colonies and dependencies and take our markets from us, than which no greater calamity could befall the Southern States. It may be asked, if this be true, why

the manufacturer who favors a protective tariff does not also favor the silver standard. He does not favor it because he knows that all persons who perform services for money wages, upon whom he chiefly relies as customers, will, when paid in silver, be able to purchase only one-half the quantity of goods that he buys now in good money, and that one-half the factories, or nearly so, must also up for went of customers.

must close up for want of customers

must close up for want of customers.

Mr. Speaker, the arguments against the free coinage of silver at a ratio of 16 to 1 are inexhaustible, and I must forbear. It grieves me, however, to find so many of its advocates among my own people, a people heretofore remarkable for their broad intelligence and sturdy conservatism. The free coinage of silver as contended for is an event that none of them will ever live to see, yet they indulge in a useless and calamitous agitation of it. I can sympathize with the Western silver-mining States. I realize that they have a vast pecuniary interest in the question, and that self-interest probably dominates their reason and understandings; but the est probably dominates their reason and understandings; but the Southern people have no such reason to espouse it. They have recovered almost single handed from the unparalleled devastation of a dreadful civil war, and have taken their station in the front rank of the most intelligent and progressive people in the world. Nothing in human history equals their achievements in material progress, nor equals the sacrifices they have endured in their progress, nor equals the sacrifices they have endured in their efforts to rehabilitate their local governments and institutions. Their country possesses unparalleled capabilities and resources. They can grow anything that is found outside the Tropics. Iron ore, lime, and coal, embedded in their hills, lie in close juxtaposition, and are sufficient in abundance to supply iron and steel and fuel to a thousand generations. Their fields are annually whitened with a fleecy staple of superior fineness to that of any clime, while their natural waterfalls contain power sufficient to turn every spindle in the world. Their enormous resources await only the spindle in the world. Their enormous resources await only the touch of capital, skill, and intelligence to evolve their unrivaled munificence. Capital they have not. It perished in the hot breath of civil strife. They must secure capital from elsewhere, and every moment employed in free-silver agitation will postpone the day when capitalists can be induced to extend their friendly as-sistance. Men will not invest their money among a people whose opinions on finances are not in accord with sound and just busi-

opinions on finances are not in accord with sound and just business principles. They will not seek to make interest on their money where they have reason to fear that both interest and principal will be put in jeopardy.

The free coinage of the metals at a legal ratio widely different from the commercial ratio is adverse to the principles of the Democratic party, and I am opposed to it for that reason also. The Democratic party favors bimetallism and is opposed to monometallism. It never did at any period of its history favor the free coinage of silver and gold except at their commercial ratio. It metalism. It never did at any period of its history favor the free coinage of silver and gold except at their commercial ratio. It was too wise to try experiments with the currency of the country. It favors bimetallism now; not that spurious bimetallism that masquerades under the flag of free silver, but that process which holds all our coins, gold, silver, nickel, and copper, wedded upon a scale of perfect equality in value. From the days of Jefferson to the present time it never advocated other than sound money. If the Government can take 50 cents' worth of silver and make a good dollar out of it it can do the same with the same number of grains of iron, nickel, or copper. If it can do that let us turn all gold and silver into jewels and ornaments and with the Populists gold and silver into jewels and ornaments and with the Populists insist upon fiat paper money altogether. If it is true that the Covernment can create value out of nothing the contention of the Populists is more tenable than ours. But I prefer to adhere to the Democratic faith in which I was born. I stand by the principle enunciated in its national platform. Gentlemen may call that platform a "straddle" if they wish, but they impeach their own intelligence when they do so. If, with the platform as a text, they have preached the free coinage of silver to their constituents it is not the fault of the platform. Its language is clear and explicit. We held to the vest both sold and silver so the standard money of the

We hold to the use of both gold and silver as the standard money of the country and to the coinage of both gold and silver without discriminating against either metal or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value and insure the equal power of every dollar at all times in the markets and in the payment of debts.

is a part of the language of that platform. We use both gold and silver as standard money now, and when conditions change so that we can make every dollar of equal intrinsic and exchangeable value and equally potential in the purchase of property as in the payment of debts, there will be no discrimination against either metal at the mints. If we enter upon the free coinage of the metals without regard to these conditions, we would destroy bimetallism and inaugurate the reign of monometallism. The cheaper coin would drive the other from the field and occupy it exclusively. Whatever may be said of the failures of the Democratic party or of the waywardness of individual Democrats, I am glad that it can not be charged that its principles are unsound; and, in my judgment, it will never deserve to be restored to power and the country will never enjoy prosperity commensurate with its enormous resources and enterprise until Democrats unite again in advocacy of these sound principles.

Coin Redemption Fund.

SPEECH

HON. ISRAEL F. FISCHER,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896,

On the bill (H.R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtodness to meet temperary deficiencies of revenue.

Mr. FISCHER said: Mr. SPEAKER: While everyone will admit that the speeches de-Mr. Speaker: While everyone will admit that the speeches delivered in these Halls by members on either side of this question change no votes, it must be admitted that they in part do some good. This good comes of the opportunity which men secure to scan and digest the arguments, and cull therefrom the reasonings which are offered in support of the theories advanced. This speechmaking machine has certainly ground out a remarkable lot of material, and because of a fear which I entertain that the country has possibly not had sufficient or can really stand more, I shall add a few words to the singsong and dingdong already beard.

heard.

I have been a patient listener throughout this whole discussion, living through it all in the hope that it would do me some good. I shall not attempt to give my opinion of the various efforts, but will content myself with the belief that I should say a few words which, though not weighty or of any great moment, are likely to be considered not below the standard set.

be considered not below the standard set.

Now, as I digest these somewhat indigestible arguments presented by the advocates of the Senate amendments, they are follows: "Kind sirs, you who believe in sound money, we beg your kind consideration in behalf of a people who produce from the mines in our section a metal known as silver to give us some legislation whereby we may be enabled to impose upon and defraud the confiding and patient people of this great country by passing upon them coin bearing the Government stamp, declaring it to be a dollar. Grant us this favor and you will oblige us ever so much."

And when it is charged that this silver which they wish us declare to be a dollar is worth but 50 cents, they retort that that

declare to be a dollar is worth but 50 cents, they retort that that declare to be a dollar is worth but 30 cents, they retort that that is only its intrinsic value, but that the Government stamp will make it go for more; that silver may become more valuable some day, and we should coin first and trust the rest to the sweet by and by. They say, furthermore, that silver was once worth more than par and may become so again. They have quoted every authority of ancient times in favor of silver, but fail to state that those expressions were based on the value of the metal at the

The quotations of past days on the market price of the metal certainly can not be quoted in support of any claim as to value at the present period. No more, Mr. Speaker, than can the quotation of a former price for any commodity fix a value for it to-day. It would be just as reasonable as an opposition to lighting by electricity because of the laudation of petroleum when it first came into use. There is but one guide, and that is the light of

came into use. There is but one guide, and that is the light of the present day. We must keep our financial car upon the commercial rail, otherwise we go to destruction. The silver advocates would have us discard the fundamental law, disregard all rules, defy every precaution, open wide the Treasury throttle, bid defiance to all conditions, and trust to luck.

They have sung their ditty so many times that they have really brought themselves to believe that we can get along without the rest of the world; that we should sink our ships, abandon commerce, and become dead to the world outside; do all this and yurosuer. Mr. Speaker, our country is certainly great; it is mar-

merce, and become dead to the world outside; do all this and yet prosper. Mr. Speaker, our country is certainly great; it is marvelous; but great and marvelous as it is, it is not sufficiently so to do this, or if it were it is not willing to adopt ancient Celestial methods by the erection of a Chinese wall. Our people as well as all the people of civilized countries wish to maintain commercial relations, and in order to do this we must have that which they are willing to accept in payment for the things they sell us. No make-believe currency will satisfy them; they will take only that which is recognized in their commercial circles as money.

We must not be carried away with the notion that because the Government shall say, "This is a dollar," that it is one and that it will be so accepted. This class of money would be "confidence" money in the sense used by that class of gentlemen of thrift who ply their game upon the unsuspecting rural gentlemen when he strikes the metropolis. It is not the money which has the confidence of the commercial world. Nay, more than that, it has not even the confidence of the gentlemen who so loudly demand its use, for, sir, should it be put in circulation it would find no friends among them. The much cursed gold is put aside by the banks of the Parific Slove. among them. The much cursed gold is put aside by the banks of the Pacific Slope as a nest egg to provide the security which they

know it affords and which they need. If silver were freely coined I fear their only friendship for it would be evidenced by their willingness to pay it out and not in accepting it.

willingness to pay it out and not in accepting it.

Mr. Speaker, I have never found a simon pure silver man who would content himself with an adherence to a pertinent question propounded upon the subject. Generally you will be accorded the treatment practiced by the photographer, who asks you not to look at the instrument which is to do the work, but to kindly observe the interesting affair hung at one side.

The gentleman from California [Mr. Johnson], more frank than most of his praying band, said this:

We should recognize aliver as entitled to aid at our hands. * * * Why not support the Senate bill, Mr. Chairman? * * * It is for silver; it is a legal bill, and I favor it because it does something for one of our great industries. * * * Senething should be done for silver. * * * I beg you to act for the interests of silver.

Here was a frank confession that silver is a commodity seeking and demanding most extraordinary relief from the Government. Not protection by way of duty as against foreign production, but demanding that the Government should certify a falsehood in the interest of silver producers, a certification upon a piece of silver worth about 50 cents that it is 100 cents. This act by an individual would be false representation and punished criminally. The prayer of the silver advocates is on a par with the Populistic dogma which calls for the issuance of money certificates by the Government for wheat or corn, fluctuations in price not to be con-

The gentleman's cry was not for help for the country, not for legislation which should benefit all its people, but a cry for help for the silver producers. Sir, this money question must be settled for the good of the country's finances. It can not be turned into a silver-purchasing measure to aid a few men.

We can only issue that amount of silver which will preserve its

value as money. That amount or silver which will preserve its value as money. That amount, so far as we can learn from the experiences of other great commercial countries, is in circulation to-day; and to this extent, upon a perfectly sound and safe basis, the Republican party is for bimetallism.

The cry that we are gold monometallists because of our refusal to permit the free and unlimited coinage of silver is a false one, and is intended to deceive. No advocate of free silver has ever dreamed that he could make his arguments upon the subject carry much weight among those who know, but seek to mislead their constituents by this talk.

Mr. Speaker, it is very plain to any person who will investigate that the free and unlimited coinage of silver is the surest way to bring about monometallism. Our neighbor, Mexico, has already placed herself in that column, and the lesson taught seems not

sufficient to guide our friends, the silver men.

sufficient to guide our friends, the silver men.

Mr. Speaker, what our country needs is not silver legislation.

Low prices and unemployed men are not made so because of our refusal to grant free coinage. The cause of our present trouble is because of hostile tariff laws. We need a revision of these laws and nothing else. We should pass a tariff act which will restore our industries to their former prosperous condition, a law which will again open up our factories and provide employment for our mechanics and laborers and provide them with decent living wages, as was the case prior to the passage of the Wilson law. We should put our tariff in force once more, so that our expenses and debts may be met. It it is true that such an act can not become a law while the Government continues in the hands of the present Administration, but let us prepare the country for of the present Administration, but let us prepare the country for it; they expect it from us.

The people require us to restore them to the position they occupied before those inimicable to American industries struck them down. The people generally do not want free silver; they merely wish an enactment of Republican principles, which they know from experience will bring prosperity. They know that laws discriminating in favor of American industries mean the restoration of good times.

The gentleman from Arkansas [Mr. LITTLE] while advocating the adoption of the Senate amendment presented (possibly unintentionally) the case really as it is, and made clear what need be done to correct the evil which has seized and now holds us.

This is what he says, page 1503, of the Record:

This gold is demanded to settle our balances of trade.

Again, he says:

As long as we pay out to foreign countries more than we receive, so long will our condition grow more agitated and embarrassing.

These concise words from a Democrat and a free-silver advocate cover the case fully. Enact laws which will wipe out those on the statute books which tend to build up foreign industries, and give us instead laws which will build up our own and shut out the product of pauper-paid labor of other countries, laws which will compel importers to pay duties equal to the difference between wages here and abroad, and you will provide the medicine which will heal and settle this apparently ceaseless mouthing about The Senate Silver Bill-Silver Monometallism.

REMARKS

HON. S. M. CLARK, OF IOWA.

IN THE HOUSE OF REPRESENTATIVES.

Monday, February 10, 1896.

On the bill (H.B.2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. CLARK of Iowa said:

Mr. SPEAKER: If the Senate had chosen, it could have passed a Mr. Speaker: If the Senate had chosen, it could have passed a bill for the free coinage of silver at the ratio of 16 to 1 and sent it to the House. The House could then have considered that bill upon its merits. The question is before the House in a wholly different manner. The House passed a bill reducing the rate of interest upon Government bonds, to be thereafter issued, to 3 per cent, with fifteen years instead of thirty as the maximum limit. I did not vote for that bill, because I was not willing that the Republican policy, which had steadily reduced the national burden of interest-bearing debt, should be reversed at the demand of den of interest-bearing debt, should be reversed at the demand of a Democratic Administration. The bill provided also to supply the Treasury in case of any deficit by the issue of temporary cer-tificates instead of by the issue of bonds. That bill comes back to us from the Senate with every word and syllable of it stricken out except the number of the bill and this measure for the coinage of silver at 16 to 1 substituted. The Senate has taken a similar course as to the bill passed by the House to increase the revenues by increasing the customs from the tariff.

creasing the customs from the tariff.

The Senate has substituted this same silver bill in place of this second bill of the House, leaving nothing of that but its title. If the Senate can do this as to two measures passed by the House, it can do the same thing as to every bill the House passes. That is the reductio ad absurdum of the situation which the Senate makes. The question before the House is not the merits or demerits of free silver coinage or whether or not the House favors that, but whether or not the House will vote that the Senate shall relifie it is legislative cancity and practically abolish it. Let no

that, but whether or not the House will vote that the Senate shall nullify its legislative capacity and practically abolish it. Let no one mistake what the real issue is, as it has already been so well stated by the gentleman from Maine [Mr. Dingley], the distinguished chairman of the Committee on Ways and Means.

Any member who votes for the measure that has come to us from the Senate votes to abolish the legislative autonomy of the House; he votes that that part of Congress which represents the States shall suspend and abolish the legislative functions of that part of Congress which represents the congress that the congress which represents the congress that the congress which represents the congress that the congress that the congress the congress that the congress the congress that the congress that the congress part of Congress which represents the people. There has been a good deal of debate and discussion among the people in recent years whether they would longer permit the existence of that part of Congress which represents the States. They have made grave question of its utility and whether it was consistent with democratic institutions; whether, in fact, instead of being useful, it is not hurtful as a legislative power. Whatever may come of that discussion, it may be taken for granted that the people will not consent to make the Senate the one supreme legislative body and permit it to displace that branch of Congress which represents the

people.

If we take counsel of history, and especially take counsel of the deliberations of the Federal Convention of 1787 that framed the Constitution of the United States, we can familiarize ourselves with the evolution of the right of the people to make their own laws by their own representatives and through what pains and difficulties the people have attained to that fredom and to that therefore. The independent they will form and which this House benefit. The judgment they will form and which this House should form from the monitions of that history will make them and us resolute to maintain this House in that autonomous legislative power which the fathers of the Republic conferred upon it. There are some things that do not move backward. The right of the people to make their own laws by their own representatives is

one of those things.

I pass from that to this further consideration of the real tendencies and implications of the Senate's action as it is related to present conditions. I do not want to attribute to any men mo-tives for their action of which I can not be sure. In nothing, probably, are the principles of sound ethics more frequently violated than for one person to assume that he knows the motives of the other person. It was a large knowledge of the infirmities of human nature that led Christ to the utterance of the high wis-dom, "Judge not, that ye be not judged." I do not want to fall ander that condemnation, so I will state the case thus: The President and Secretary of the Treasury had given notice that they were resolute to issue one hundred millions at least of 4 per cent gold bonds, running for thirty years.

The House sent a bill to the Senate permitting the President, if The House sent a fall to the Senate permitting the President, if he issued bonds, to make the interest rate 3 per cent and the time limited to fifteen years instead of thirty. By preventing the passage of that bill, the Democrats and those Republicans or Populists in the Senate who are the especial advocates of silver have, by their own act, given warrant to the President to issue a 4 per cent gold bond instead of a 3 per cent gold bond, and to mortgage thirty years of the future to gold as against silver instead of fifteen years of the future to be thus mortgaged. I impute no motives, but if those Democrats and those advocates and chomo fifteen years of the future to be thus mortgaged. I impute no motives, but if those Democrats and those advocates and champions of the silver cause had desired to support the President and the Secretary of the Treasury in the issue of long-time, high-rate gold bonds, then they would have taken precisely the course they did, because they took the direct, rational, and efficient course to effect that result. If the Democrats and the other advocates for silver in this House sustain the action of the majority of the Senate, then they have given direct aid and support to the President and then they have given direct aid and support to the President and Secretary of the Treasury in the policy of the issue of 4 per cent gold bonds, running for thirty years. I impute no motive; I only say that if that be their covert or avowed purpose, the effective

say that if that be their covert or avowed purpose, the effective way to accomplish it is to support the Senate in its action.

I pass to another phase of the subject before us. The maintenance of silver money as a money of the United States is a distinctively protective measure and is pervaded by protection. It is the incarnation of the protective principle. In the earlier part of this century Thomas H. Benton, in discussing the financial question in the Senate of the United States, urged the use of more silver than was being used, because of the discovery of what it was hoped would prove to be valuable silver mines in the Carolinas.

During the recent years of this silver contention the silver advo-cates have demanded the establishment of their policy in the name of protection and because of their devotion to the protective prin-We now behold in the House in the consideration of this ciple. We now behold in the House in the consideration of this Senate bill a double inconsistency. We see the distinguished member from Georgia, ex-Speaker of the House and the leader of the Democratic party upon this floor, rallying with so much of that party as follows his standard now to the support of the distinctively protection cause of silver. How he and they reconcile their contention for free trade with this contention for protection I leave to his and their mastery of the casuistry of dialectics. On the other hand, every Republican who has turned to the support of his Senate hill has strengously championed the cause of protections. tion and his constituents sent him here in the name and for the sake of protection, and now these gentlement this Sena te bill has strenuously championed the cause of sake of protection, and now these gentlemen turn upon protection and rend it. They have joined the Senate in a policy which has displaced an increase of the revenues and an increase of protect

displaced an increase of the revenues and an increase of protect tion. And they knew that their act was only efficient to strike down protection and could not at all serve the cause of silver. How they can harmonize this with their own profession and the desires of their constituents as to protection I leave them to settle. I shall vote against this bill because it proposes to enable the Senate to nullify and abolish the House as a factor in national legislation, because it is accessory to the policy of the present Administration in issuing long-time gold bonds, and because it is need as an instrument to strike down protection and an advantage of the present and an advantage of the protection and the protection and an advantage of the protection and advantage of the pr used as an instrument to strike down protection and an adequate and desirable increase of the revenues of this Government necessary as a solution of our financial troubles. I shall vote against the bill because I am in favor of bimetallism and this bill would establish silver monometallism.

The question of the currency and of free silver coinage in the ratio of 16 to 1 is before the House, although brought in in a wholly improper way, and I will make a brief discussion of it. I shall improper way, and I will make a brief discussion of it. I shall not attempt to discuss the question in any extended way nor in its entirety nor by the use of any statistics. Whatever our opinions about this or any question, every question will finally stand upon fact and acience. What will be about it will prove to be that which must be about it because of the supremacy of fact and science. Any opinion of mine or of any other person about this question not based upon fact, not based upon science, will prove a futility. It is not what any one of us might like should be, but what is inevitable in the nature of things that will be.

I shall state but a few of the elementary facts and principles of

I shall state but a few of the elementary facts and principles of science as I understand them, and upon those facts and those principles of science I shall take my stand and cast my vote, and I am not concerned about the outcome. I know that the universe will stand by the man that stands by the universe; that natural law "whose throne is in the bosom of God" will control this and every matter of human affairs, and all opinions not coincident with that natural law have no permanency in the future. I shall try every matter of human affairs, and all opinions not coincident with
that natural law have no permanency in the future. I shall try
to enlarge my vision so as to be, not the partisan of a cause, but
receptive simply of the truth. There must be a measure of truth
in the views of all the different parties to this silver and money
question, because no body of men are ever wholly irrational. But
no fervor of advocacy can exalt nonsense into the dignity of sense
or make practicable the impossible.

There is certainly a deep unrest and disquietude pervading at

once the people and the students of finance in both the Old World and the New upon the subject of money. There must be a cause or causes for that deep unrest and solicitude. It is so widespread that it is almost cosmic. It is so deep and earnest that it almost threatens the stable existence of governments. It certainly threatens the tenure and permanency of political parties and makes a very uncertain future to each and all of them.

The first step in any adequate and scientific study of this question is to ascertain if possible what are the real causes of that pervading discontent, and then adequate treatment of it by legislation and by government must depend upon comprehending all the causes and dealing with them adequately and wisely, instead of inadequately and unwisely. We must not be misled as to causes, nor must we misapply remedies. It is clear to me that many causes leading to popular discontent have been blended and confused in the public mind and in the minds of individuals, and that many ills are assigned to money that do not belong there at all, that it is a false assumption that something that could be done about money is the cure of these ills, when not being related to money, money could not possibly cure them.

money, money could not possibly cure them.

One of the causes of discontent is the fall in prices. And it is alleged that the use of silver as money at the ratio of 16 to 1 would be a cure for that. The fall in prices is due to many things; it is due to the great increase of machinery; it is due to the increasing cooperative power of machinery under scientific extension and application—increasing the power of mechanical production in a geometric ratio; it is due to the close and intimate way in which the production of any in the content of mechanical production in the content of the close and intimate way in which the production in the content of the close and intimate way in which the production in the content of the close and intimate way in which the content of the content

geometric ratio; it is due to the close and intimate way in which by the appliances of modern civilization—of swift travel and intercommunication—the world has been made into one cooperative community so that wherever a field of demand for products or for labor exists the whole world furnishes an immediate source of supply of both products and labor to meet that demand.

Of course the general result of all this is beneficent. God makes no mistakes. Civilization is not a failure. The results that mankind are working out by its best efforts and progress are not hurtful to or destructive of its well being. That the needs of the world shall be supplied with cheapness and plenty is a high beneficence. It turns us away from the rude and barren ages behind us; from the pinch of cruel barbarism; from the hunger and want us; from the pinch of cruel barbarism; from the hunger and want us; from the pinch of cruel barbarism; from the hunger and want of the suffering people of the past to the condition of plenty, which is the coming of the new heavens and the new earth of saintly desire and apocalyptic vision where want shall be no more and the tree of life gives its fruitage without money and without price for the satisfying and healing of the nations. But our machiner of business, of trade—some of our methods in the business world—are not yet adjusted to deal speedily with these new conditions of constantly cheapening production and constantly cheaper supply. But it must be apparent that the remedy can not be to maintain But it must be apparent that the remedy can not be to maintain that now defective business machinery and enable it to displace the beneficence of cheapness and plenty with dearness, want, and high prices. The remedy is to readjust the machinery of business and trade to these better conditions. No one can treat this question adequately or make a judgment or do a legislative act about it that will have permanency and adequateness unless the true relation of prices to this modern condition of prolific mechanical production shall be considered.

There are some who, seeing how utterly impracticable some of There are some who, seeing now utterly impracticable some of the things said by the advocates of silver and of more and cheap money are, are disposed to treat the whole matter as the whim and caprice of cranks. This is too narrow a view. The unquiet of the public mind and the pervading sense that the people are the victims of hurt now and of more and greater danger impending are too real to be a mere aberration. I think the public view can easily be accounted for, and that it is wholly reasonable, although it may not be well informed as to either causes or remedies. Causes and remedies probably involve an extent of knowledge, a profoundness of thought, beyond the attainment of people busy with the carking cares of life and of daily industry.

The people have been taught that prices depend upon the volume of money. The political economists and the political leaders and writers alike have united in teaching this doctrine. Let me cite some of the instruction of the public mind by eminent teach-

Adam Smith, in The Wealth of Nations, showing the relation between the volume of money and prices, said:

The discovery of the mines of America diminished the value of gold and silver in Europe.

I summarize some of the principles stated by J. B. Say, the next reatest teacher of political economy in succession after Adam

Should the aggregate of circulating specie be doubled, the prices of all goods would be doubled; twice the quantity of specie would go to the purchase of the same articles. We may judge of the depression of the value of silver by the increasing prices of any given commodity.

Bonamy Price, in h.s Banking and Currency, says:

ss gold is produced and the demand for it continues; it rises in value; it sanges in buying for a larger quantity of all other commodities; that is,

the prices of everything sold fall. On the contrary, a rise in general prices indicates that gold has become cheaper and a larger quantity of it must be given for the same goods.

Amasa Walker, in his Science of Wealth, states the principle explicitly that-

Prices depend on the quantity of currency in circulation.

John Stuart Mill, in his Principles of Political Economy, states the general doctrine to be:

the general doctrine to be:

Prices would rise and the volume of money fall in the ratio in which the quantity of money had been increased. If the whole money in circulation were doubled, prices would be doubled. If it was only increased one-fourth, prices would rise one-fourth. If there was less money in the hands of the community and the same amount of goods to be sold, less money altogether would be given for them and they would be sold at lower prices—lower in the precise ratio in which the money was diminished. So that the value of money, other things being the same, varies inversely as its quantity, every increasing quantity lowering the value and every diminution raising it in a ratio exactly equivalent. That an increase in the quantity of money raises prices and a diminution lowers them is the most elementary proposition the others.

Applying these doctrines to contemporary conditions, writers and public leaders have taught the people that a scarcity of money has been the source of baleful ills. Mr. W. H. Grenfall, a distinguished writer and economist of England, wrote not long ago that—

To me it appears that the fluctuations of currency have had greater influence for good or for evil upon civilization than any other single cause. At the present time we are face to face with a momentous monetary crisis. An attempt is being made and has been partially carried out to make gold alone serve as a measure of value throughout the world and to perform the work that has hitherto from time immemorial been performed by gold and silver. This attempt can not but be attended by the most grave consequences. In the first place, as there is not sufficient gold to meet this extra demand it causes in gold-using countries an appreciation of gold which is ruinous to the trade, industry, and agriculture of the country; in the second place, it paralyzes the trade carried on between gold-standard and silver-standard countries.

paralyzes the trade carried on between gold-standard and silver-standard countries.

Though prices fall the fixed debts remain. Trade is carried on by means of borrowed money. However much gold may increase in value debts contracted in gold have to be repaid in gold, with no allowance for the appreciation which has taken place since the contraction of the debt. The debt and the interest remain the same, and the unfortmate borrower, the man of enterprise and activity, is obliged to struggle against falling markets with a weight around his neck which is constantly increasing. The quantitative theory of money is agreed to by all economic writers if you increase the amount of money in a community, other things remaining the same, prices rise; if you decrease it, prices fall.

Professor Foxwell, who is the teacher of political economy in the University College of London, has written:

Take, for example, the case of a man who in 1873 borrowed £142 (\$710). Prices have fallen to such an extent that £32 (\$400) will now buy what £142 (\$710) would have bought in 1873. Yet the unfortunate debtor must pay the full mominal sum borrowed; that is to say, his debt is practically increased more than 50 per cent. Can a system which permits of such arbitrary revolutions in the distribution of wealth be rational or tolerable? I confess it seems to me in the highest degree barbarous and uncivilized. The very certiest economic writings we have were protests against the wrong and mischief caused by such changes.

Robert Giffen, the distinguished political economist and statistician of England, has written:

The fall in prices in such a general way as to amount to what is known as a rise in the purchasing power of gold is generally, I might say universally, admitted.

M. Wolowski, member of the French Institute, said:

The suppression of silver would be a veritable revolution. Gold would augment in value with a rapid and constant progress which would break the faith of contracts and aggravate the situation of all debtors, including the

Public men as teachers of the public mind and leaders of public conduct have accepted these doctrines and applied them to the public judgment of conditions so as to shape and mold public opinion. James G. Blaine, who is still vital enough in his grave to be present to the thought of millions of his countrymen as a type of high statesmanship and admired leadership, said:

I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster in and throughout the commercial world. The destruction of silver as money and using gold as the sole unit of value must have a rainous effect upon all forms of property, except those investments that yield a fixed return in money. These would be enormously enhanced in value and would gain a disproportionate and unfair advantage over every other species of property.

That very highest authority upon the subject of public fiveness.

That very highest authority upon the subject of public finances, Senator JOHN SHERMAN, said:

The contraction of the currency is a far more distressing operation than Senators suppose. Our own and other nations have gone through that operation before. It is not possible to take that voyage without the screet distress. To every person except a capitalist out of delt and a salaried officer or annuitant it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprises, bankruptcy, and disaster.

Senator Roger Q. Mills, an eminent Democratic leader and public authority, said:

The demonetisation of eliver will paralyze all the forces of production, shut out labor from all employment, increase the burden of debts and taxation, and send desolation and suffering to all the homes of the poor.

With the political economists and greatest leaders of Govern-

ment uttering these judgments, it is not surprising that their opinions have been voiced by a thousand smaller oracles until all the people have heard these utterances. Not only that, but public teachers have directly related these monetary principles to the existence of business depression and public distress and have proclaimed them as the causes. The Hon. Henry G. Turner, of Georgia, one of the most eminent and one of the very ablest members of this House, said:

The pecuniary stringency which has existed for years at the South now infests the North in even a worse form. There is not in all the world at this time a single prosperous community. The sun in its course looks not down upon a single prosperous city, or State, or nation. Every industry is prostrated.

He found the cause in the demonetization of silver. Taught by the most eminent authorities of light and leading that depression of business and failure of employment throughout the world was caused by trying to shift upon gold the monetary burden that has in all the past centuries been borne by both gold and silver, is it any wonder that the people have accepted this teaching and that they are restive when in their view their legislators and rulers go on resolutely to establish gold as the only money? Bismarck, opposing gold monometallism, portrayed thus the condition of the modern world:

We are all in one bed and the blanket is too narrow to reach; each nation is tugging at this blanket and pulling it off some one else.

That sturdy, common sense of the greatest of the statesmen of Europe has seemed to the people to be confirmed by the recent struggles of the nations to increase their stock of gold in order to maintain their financial existence. And the United States, the richest and the most prosperous country on the globe, had by the act of the present Democratic Administration to put a mortgage upon the future of its people for thirty years in order to procure, at high interest and for a large bonus, gold enough from a few bankers to maintain its struggling financial life and credit through part of one season. Percival Lowell, in some recent interesting essays, portrayed how the surface of the planet Mars appears to the enlarged vision of astronomers. There a planet which shows signs of having once been covered by an expanse of water rample enough to wash many shores and give the element of life to many people has gone through a process of the evaporation of its seas until but a narrow margin of water remains.

And we can conceive the inhabitants of that world, leaving myriads of dead behind them, perished from want while the re-

And we can conceive the innabitants of that world, leaving myriads of dead behind them, perished from want while the remaining people crowd upon the receding shores, seeking precarious life from waters soon to be wholly exhausted. Lord Byron had a dream of darkness, where light gradually faded out of the universe and men were gathered around their blazing homes to look by that uncertain and fleeting light once more into each other's eyes. The instructions of the economists and their public men have brought the people to some such conception of the monetary situation. They have been taught that money is the lifeblood of prosperity; that its circulation through the body politic, freely and amply, is necessary to societary life.

When they see that one-half of the monetary volume is to go out

When they see that one-half of the monetary volume is to go out of use, the volume of money contracting to gold alone, while the population of the world increases and there is immeasurable multiplication of business and employments and the needs of and demand for money, no wonder it seems to the people that the sources of their business life are being dried up by the monetary situation. No wonder that in the keen passions which pervade mankind in the struggle for survival they view the monetary situation with disquiet and unrest. History has no significance unless the world exists for the constant betterment of the condition of the masses of mankind—to give more and more of the boys and girls born into the world an opportunity to live out, at their best, life in the high divine image in which they were made. One of the elements of human betterment and progress has been the gaining of individual political freedom—the right to participate in government; the right to take government from the privilege of the few and make it the right of the many. But along with the betterment of condition brought by political liberty must be the right and privilege of the possession and accumulation of property. "You take my house when you do take the prop which doth sustain my house; you take my life when you do take the means whereby I live."

That visidom of Shakespeare is a wisdom that has passed into

That wisdom of Shakespeare is a wisdom that has passed into the keen perception of all the people. Everyone knows now that unless one can get so much of the property which buys the necessities and the comforts of modern civilized life in their many relations and demands the individual is mere wreckage, that most pathetic of Leings, a human creature passing up and down the busy streets of our cities covered with the advertisements of the business of his more fortunate fellows who enjoy the products and the opportunities of civilization by possessing its property while he is but a moving human sign of their prosperity and of his abject failure in the struggle for life.

The people being taught that their chance of getting property

and the means of livelihood and the enlarged blessings of civilization is twice as large by having both gold and silver as money than if gold alone be money, no wonder that they grow almost revolutionary in their passionate demand that the gates of equal fortune shall be kept open for them, and their chance of success in life be not divided one half against them by the contraction of the metal money of the country and the world one-half. Their passionate and revolutionary feeling is made keener and stronger by that condition of modern life which has lead to trusts and syndicates, the concentration of the forces of the commercial and business world into the hands of a few, so that a syndicate of individuals can take into their own hands and control more than the entire wealth of past generations. They have lately witnessed a syndicate of five men feeling sure that they had so cornered the gold supply of the country that the Government and 70,000,000 people alike must turn to these five men as the only possessors of the gold upon which the credit of the Government could be maintained.

I believe in the people. I repeat that I do not see any significance in history or in fact for which Government exists unless it be to better the condition of the people; to give them constantly greater and better opportunities in life; to lift them farther and higher toward that new heaven and earth where humanity at it best is to find its fruition; that takes an Abraham Lincoln out of a cabin and out of the utmost of privation and lifts him to the heights of human and divine achievement as an exemplar of the possibilities of mankind. So far as my best perception and highest judgment can gather from the study of this financial question, what financial policy it is that will best promote the welfare of all the people, to that policy am I committed by my own thought and by my duty as a representative of the people and a national lawracker.

The survey of history shows that in the struggles of mankind to evolve into a better condition the people and their leaders have been again and again mistaken as to the usefulness of suggested measures and policies. I am very sure that many people and many of their leaders are mistaken now as to the value they attach to the free coinage of silver as a means of escape from business depression, and their fears and presentiments of the dangers arising in any way out of the question of money. I stand upon the declaration of the last national Republican platform, that of 1892, as the wise and safe declaration of monetary principles under our existing conditions:

The American people from tradition and interest favor bimetallism, and the Republican party demands the use of both gold and silver as standard money, with such restrictions and under such provisions to be determined by legislation as will secure the maintenance of the parity of value of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be at all times equal. The interests of the producers of the country, its farmers and its workingmen, demand that every dollar of paper or coin issued by the Government shall be as good as any other. We commend the wise and patriotic steps already taken by our Government to secure an international conference to adopt such measures as will insure a parity of value between gold and silver for use as money throughout the world.

It is demonstrable that the Republican party by its national policy, so far as it is responsible for the conduct of affairs, has steadily maintained and promoted this policy since resumption of specie payments in 1879. The demonetization of silver in 1873, while the Republican party controlled the Government, had no significance as to monetary conditions, because there was no gold and silver in circulation in the United States, and the use of silver in a bimetallic system was resumed at the resumption of specie payments in 1879 under the law of 1878. From that time on the Republican party has put into monetary use in the United States the utmost amount of silver that can be used and a bimetallic policy maintained.

The free coinage of silver at the ratio of 16 to 1 would be absolutely destructive of bimetallism. It would contract out of circulation all gold. It would bring the American people to the use of silver as the only metal money. It would depreciate all the paper money of the country to the market value of the silver in the dollar. This would cause a loss of hundreds of millions of dollars that the American people could ill afford. It would bring upon them all the monetary evils of a depreciated currency, which our wisest statesmen and the most devoted lovers of the people have so strenuously deplored, and which the disastrous experience of the past warns the people against by the severest of all teaching.

our wisest statesmen and the most devoted lovers of the people have so strenuously deplored, and which the disastrous experience of the past warns the people against by the severest of all teaching. The grave dust has covered Andrew Jackson. Nothing of the bitter political strifes and fierce party contests of his time remains to cloud or obscure the judgment of the present. Nothing remains but the splendor of his patriotism—of his unflinching devotion to the welfare of the people. So his warning voice reaches out from the past he made illustrious to his fellow-citizens of the present in these words of warning in his message as President in December, 1836, in a way they will heed:

The progress of the expansion or rather a depreciation of the currency by excessive issues is always attended by a loss to the laboring classes. This pertion of the community have neither time nor opportunity to watch the ebbs and flows of the money market. Engaged from day to day in their useful tolls.

they do not perceive that although their wages are uniformly the same or even somewhat higher, they are gradually reduced in fact by the rapid increase of a spurious currency, which as it appears to make money abundant they are at first inclined to consider a blessing. It is not so with speculators, by whom this operation is better understood, and it is made to contribute to their advantage. It is not until the prices of the necessities of life becomes odear that the laboring classes can not supply their wants out of their wages that the wages rise and gradually reach a justly proportionate rate to that of the products of their labors. When thus, by the depreciation in consequence of the quantity of money in circulation, wages as well as prices become exorbitant, it is soon found that the whole effect is a tariff on our home industries for the benefit of the countries that maintain uniformity in money and

Daniel Webster, the contemporary of Jackson and his peer in patriotism, was even far greater than he in the breadth of his intellect and his comprehensive grasp of public affairs, of those profound principles upon which Governments are based and the welfare and progress of mankind depend, and he said:

welfare and progress of mankind depend, and he said:

The very man of all others who has the deepest interest in a sound currency and who suffers most by mischievous legislation in money matters is the man who earns his daily bread by his daily toil. A depreciated currency is the very harvest time of speculators and of the whole race of those who are at once idle and crafty. Capitalists may outlive such times. They may easily prey on the earnings of labor by their cent per cent or they may hoard. But the laboring man, what can he hoard? Preying on nobody, he becomes the prey of all. His property is in his hands; his reliance, his fund, his productive freehold, his all, is his labor. Whether he work on his own small capital or another's, his living is still earned by his industry, and when the money of the country becomes depreciated and debased, whether it be adulterated coin or paper without credit, that industry is robbed of its reward. Whoever attempts, under whatever popular cry, to shake the stability of the public currency, stabs your interest and your happiness to the heart.

I know that the policy of the Republican party as maintained

I know that the policy of the Republican party as maintained in this nation now is the only safe and possible concurrent use of gold and silver in a bimetallic system. I have heard much said on the floor of this House by the advocates of free coinage of silver at the ratio of 16 to 1, and everything they have said but confirms my opinion that under their policy bimetallism is impossible. I have heard nothing said by the advocates of the free coinage of silver on this floor which leads me or which should lead the American people to reject the wise instructions and warnings of Andrew Jackson and Daniel Webster to follow the lead of any of the teachers that I have heard upon the floor of this House during this

debate.

There have been many remedies proposed for any troubles existing in the monetary condition of the world.

One of the proposed remedies is the use of what recent political economists have come to call the multiple standard, and this proposed remedy has received so little public attention and yet has secured the favorable judgment of such high authorities in economic science that it is worth while to call the attention of the propose and of legislators to the proposition, so set a calcuracter expense. people and of legislators to the proposition, so as to enlarge general knowledge of it. Thus J. Laurence Laughlin, who has high rank among American political economists as one who is well versed in the application of abstract doctrines to practical affairs, has said:

As regards national debts, it is distinctly averred that neither gold nor silver forms a just measure of deferred payments, and that if justice in long contracts is sought for we should not seek it by the doubtful and untried expedient of international bimetallism, but by the clear and certain method of a multiple standard, a unit based upon the selling prices of a number of articles of general consumption. A long-time contract would thereby be paid out at its maturity by the same purchasing power as was given in the beginning.

The late W. Stanley Jevons, author of Money and the Mechanism of Exchange, was one of the leading economists of the present century in England. He wrote:

Money, besides serving as a common denominator of value and as a medium to facilitate exchange, is usually employed likewise as the standard of value in terms of which contracts extending over long series of years are expressed. In letting land on long or perpetual leases in lending money to governments, corporations, and railway companies, it is a general practice to make the interest and capital repayable in legal-tender gold money. But there is abundance of evidence to prove that the value of gold has undergone extensive charges.

interest and capital repayable in legal-tender gold money. But there is abundance of evidence to prove that the value of gold has undergone extensive changes.

Between 1789 and 1800 it fell in the ratio of 100 to 54, or 5, 46 per cent. From 1800 to 1849 it rose again in the extraordinary ratio of 100 to 540, or by 145 per cent, rendering Government annuities and all fixed payments extending over this period almost two and one-half times as valuable as they were in 1800. Since 1849 the value of gold has again fallen to the extent of at least 20 per cent. 1874), and a careful study of the fluctuations of prices shows that fluctuations are from 10 to 25 per cent, and occur in every credit cycle. The question arises whether, having regard to these extreme changes in the values of the precious metals, it is desirable to employ them as the standard of value in long and lasting contracts. We are forced to admit that the statesmen of Queon Elizabeth were farseeing when they passed the act which obliged the colleges of Oxford, Cambridge, and Eton to lease their lands for corn rents. The result has been to make these colleges far richer than they otherwise-would have been. The rents and endowments, expressed in money, have sunk to a fraction of their ancient values. I believe there is no legal impediment in the way of a landlord leasing his lands at present for a corn rent or na iron or coal or any other rent. All that the law requires is that the contract shall be perfectly definite and of exactly determinate meaning, so that the kind of commodity intended and the quantity of that commodity shall be exactly accertainable.

The question thus arises whether the progress of economical and statistical science might not enable us to devise some better standard of value. Can we not conceive a multiple legal tender which would be still less liable to variation than gold and silver money? We estimate the value of £100 (\$500) by the quantity of corn, beef, potatoes, coal, timber, iron, tea, coffee, beer, and other principal comm

Joseph Lowe, Mr. G. P. Scroope, Mr. G. R. Porter, Mr. New-march, president of the Statistical Society of England, and many other political economists have recently favored this method of solving monetary troubles made by the variation of gold and silver, and the resultant necessity of having one standard instead of two and one money instead of two. An American political economist, Mr. G. P. Osborne, in his Principles of Economics, published in

How can we secure a money of uniform value? This is the important quality of a good money. There are many who advocate gold as a standard. But the changes in the value of gold are very great. This bidding of all nations for gold as a reserve for currency can not fail to increase its value—its price as measured by goods.

If all the silver-using nations were to adopt a gold standard for their currency, it would send the values of the gold up nobody knows how far; certainly to double those at present. For many years economists have seen that the tabular standard is the only honest standard of value. It has been proposed to take the wholesale prices of a certain number of commodities from month to month and year to year. These should include all the articles which enter largely into the satisfaction of the wants of the great majority of the people. One hundred articles would give a fair average result. These articles would be taken in the proportion of the values produced each year. Let us see how much a dollar will buy of all these articles on the lat day of July, 1893, and let his be the standard forever after. A thousand dollars is the quantity of these goods which a thousand dollars of our present money will now purchase. Here is strict justice—justice to the debtor, justice to the creditor. A dollar represents a certain quantity of the world's resources. If one lends it to-day, when the dollar is repaid ten years hence it should buy just as much, no more, no less than when he lent it.

If this method was adopted, then every nation could safely adopt monometallism. It would make no difference then what the money is or how much its volume or how small. As money is only needful as a command over the resources of the world, by the multiple standard method, a dollar under a monometallic or bimetallic system would be a constant quantity and give a constant command over an equal amount of the products of exchange.

Another method to solve the difficulty of contracting the world's money to gold alone is the making of an international agreement by convention of the different nations to use silver as well as gold

a standard money of full volume and for ultimate payment of debts.

Another method is that proposed by the advocates of free silver coinage and embodied in the bill now before the House, which would make this nation establish silver money at whatever amount free coinage at the rate of 16 to 1 would give us as the money of the United States. The question whether this policy should be adopted is the question before the House, if we consider

should be adopted is the question before the House, if we consider the Senate bill upon its terms as a proposed financial measure.

I have listened carefully to much that has been said on both sides of this question during the pending debate. It will not be invidious if I say that the proposition that the United States should by law proceed to the coinage of free silver as money at the ratio of 16 to 1 has been most ably and eloquently put before this House by my friend from Minnesota [Mr. Towne]. He has signalized his entrance as a member of this body by one of the most masterly pieces of argumentation, by one of the most fascinating feats of oratory, ever heard in this body or in any forum. The merits of his intellectual treatment of the case have been heightened by the spirit of devotion to the interests of the people heightened by the spirit of devotion to the interests of the people which pervaded his speech.

That is a sentiment to which I am most keenly responsive.

That is a sentiment to which the Republican side of this House is most keenly responsive. When he appealed to it in strong and majestic eloquence to give consideration to the interests of what Mr. Lincoln called the common people, this Republican House was warmly responsive, for the heart of the party of Abraham Lincoln warmly responsive, for the neart of the party of Abraham Lincoln's still thrills to any appeals made to it in the spirit of Mr. Lincoln's love for the people. I confess I would readily yield to his persuasion of method because of my full sympathy with his full sympathy for the people, if out of the splendor of his argument there could have emerged a perfect conviction that his method would really have served the welfare of the people. It is the doubt the conclusions of his own argument left in my mind as to whether what his method would promote the welfare of the people that or not his method would promote the welfare of the people that leads me to hesitate. When he was asked at the close of his speech whether or not gold would go to a premium if the United States should coin free silver at the ratio of 16 to 1, he answered at once, with the courage and with the directness of an honest man who knows this subject from real study and full investigation, that no death gold would go to a premium. doubt gold would go to a premium.

What is that but to admit that gold goes out of use as money, and that, instead of the bimetallism for which he was speaking as a benefit to the people, this country would be left to silver monometallism. No man has yet dared say that that would benefit the people. No; the case is clear. I repeat the postulate which I have made earlier, and that is that science and fact will control this case. Science and fact will determine what will be. The Gresham law will work inevitably. If gold and silver are coined at a ratio in full and free coinage which is not the commercial ratio of those two metals in the markets of the world, then that metal which is undervalued will go out of use here and into use in the other nations of the world, and that metal which is overvalued will alone remain as our money, and so full and free coinage of both gold and silver at a forced and unnatural ratio will inevitably leave us upon the basis of monometallism, and no art sion can change that situation or make two moneys remain in this market at a disparity of value when one of those metals finds its profit to its possessors in going to other markets of the world where it can be worth what it is worth as a commod-

The Republican party, having pledged itself to a restricted form of bimetallism as the only possible form of bimetallism now possible, has kept faith with the people of America in carrying out that policy to the utmost extent it could do so without destroying the prosperity of the people, which the Republican party tries always to serve. There was never so much silver in use by the always to serve. There was never so much silver in use by the American people as now since the Government began; never so large a per capita use of silver in this country as now. Under Republican policies that large use of silver is done with the solvency of the money maintained, and with that solvent money the well-being of the people who use it. The use of silver can not be extended to free coinage at the ratio of 16 to 1 by the United States alone with the impairing and destroying the sound-money condition of the out impairing and destroying the sound-money condition of the American people, and no art of persuasion, no fervor of individual or collective opinion, can overthrow the fact that unsound and deranged currency is always hurtful to any people. I join with the eloquent member from Minnesota in holding to the high the eloquent member from Minnesota in holding to the high maxim of good government—salus populi suprema lex (the welfare of the people is the supreme law). But because I know, with the full warrant of the experience of mankind, the teaching of history, and the postulates of science, that free silver at 16 to 1 would be destretive to the prosperity of the people and bring them surely and inevitably to silver monometallism—because of that I must reject his conclusions, while I yield myself in willing homage to the charm of his eloquence.

It nucles many that an increase of money—a larger volume of

It puzzles many that an increase of money-a larger volume of money—and o harm. Some amount of money being beneficial to a country, they do not see why a larger amount should not be more beneficial. Yet the reason is plain. Mankind strives for property. Each person desires to get property and keep it or its value. Money is the counter by which he gets his property, and it is also the form of storage in which he often keeps his property and by which he always reckons it. When the money volume to count and stable it reserves his property him both as a erty and by which he always reckons it. When the money volume is sound and stable, it preserves his property for him, both as a counter of its value in trade and as a form of storage. When the volume of money is deranged and inflated, and thereby depreciated, it may cost him the loss of his property, both as a reckoner of its value in buying and selling and as the storage of his property. There is no puzzle about the matter, and the popular instinct which fears and resists inflation and depreciation of

money is wise and well founded.

I recognize the logical validity of the definition of bimetallism made by my friend from Minnesota, but I do not know a country in the world where bimetallism exists within his definition. It in the world where bimetallism exists within his definition. It does not exist in France, nor in Belgium, nor in Italy, nor in any country of the Latin Union, which are always cited when the silver question is up for discussion. Certainly the Senate measure now before us would not give bimetallism, but only silver monometallism. When there is talk of biactallism there is usually or always talk of a double standard of money. There is no double standard of money. Alexander Hamilton based our monetary system upon a single standard—a unit of value—resting upon both metals. In the actual result it proved that the unit never rested upon both metals, but alternately upon one or the other.

that the unit never rested upon both metals, but alternately upon one or the other.

The amount of money needed by any country is limited, not unlimited. Whether the United States had gold money alone, silver money alone, paper money alone, or any two of these, or all three of them, it would only keep so much money as it needed. And it would keep, reckoned by purchasing power, only so much of any or all of them as it would keep of gold if gold were the only money. By no possibility, then, would even free silver coinage and silver monometallism bring into use in the United States, reckoned by purchasing power, more silver than the amount of gold and by purchasing power, more silver than the amount of gold now in use here, which it would drive out. Hence it is incon-ceivable that the utmost use of silver money possible in the United States would materially enhance its price, or be of material benefit

States would materially enhance its price, or be of material benefit to the silver producers of this country.

So, while the Republican party, being protectionists, would be glad to give protection to our silver-mining interests, there is no material benefit to the latter by the passage of the Senate bill now pending, while there would be vast harm done to all the people, those in the silver-mining States and districts included, by the derangement and destruction of our present money, which would inevitably follow from making the Senate bill into law.

It should be remembered by the House and the country that the increased and increasing production of gold is a factor in the

case which must be taken into consideration. Mark the steady and large increase! The report of the Director of the Mint shows that the yield of gold throughout the world was \$146,815,100 in 1892; \$157,287,600 in 1893; \$180,626,100 in 1894; \$203,000,000 in 1895. It was \$9,710,500 from 1803 to 1820. When we remember that in 1874 the yield was but \$90,000,000, members will see that the flood of gold now being poured by that industry into the world's reservoirs may well allay the fears members have excited themselves and us with during the progress of this debate

themselves and us with during the progress of this debate. It should also tranquilize us into some serenity of judgment when we recall the incontestible fact that the greatest increase in wealth and the prosperity of a people ever known in the history of the United States or the history of the world has been in the United States since 1850, and that in all that time, in fact, and most of the time in law, silver was not in use in the United States as a standard money. And this Republican House should at least be faithful to the remembrance that the year 1892, the year of Benjamin Harrison and Republican protection—the year of the nation's highest tide of prosperity that the world ever aw—came under the existing monetary system which our free-silver friends declare incompatible with prosperity, and there was less silver money in 1892 than in 1893, the year of adversity, because it was the year of Democracy. the year of Democracy.

Coin Redemption Fund.

REMARKS

HON. A. C. SHUFORD.

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. SHUFORD said:

Mr. SHUFORD said:
Mr. SPEAKER: The People's Party, of which I am an humble member, demands in its platform the "free and unlimited coinage of silver at the ratio of 16 to 1." It is the only party that stands squarely and unequivocally upon that proposition or is making an honest effort to restore silver to the position it occupied prior to the act of February 12, 1873. From April 2, 1792, until February 12, 1873, a period of over eighty years, silver and gold were the money metals of this nation, enjoying equal privileges at the mints. Why was this condition, which had existed for more than three-quarters of a century, suddenly changed? No one as yet has been able to give a satisfactory or reasonable answer. Without a single petition ever having been presented to Congress asking for single petition ever having been presented to Congress asking for single petition ever naving been presented to Congress asking for its demonetization, without a single editorial appearing in any of the thousands of newspapers, great and small, throughout the country commenting upon such a measure, with less than half a score of men out of the fifty million or more people at that date knowing anything about the transaction, the destruction of the American silver dollar was accomplished and silver reduced to a commodity like wheat or cotton.

commodity like wheat or cotton.

For more than three years after this act had been passed depriving silver of its legal-tender functions the people of this country were in absolute ignorance of the fact. In the summer of 1876, in the course of debate, Senator Conkling put the plain question to Senator SHERMAN, "Is it true there is no American silver dollar?" The answer of Senator SHERMAN that there was none was the very first intimation the people of this country received that one-half of their metal money had been destroyed by an act of Congress. Unoninvestigation not a single member of the Senate that one-half of their metal money had been destroyed by an act of Congress. Uponinvestigation not a single member of the Senate or House, aside from those who manipulated the scheme, could be found who knew anything about it, and President Grant, who signed the bill, was not aware of this provision. All this, however, is history, and I only repeat it to show that there must have been some ulterior motive which prompted such action. An act of Congress which had never been petitioned for, which was not debated, and passed without the knowledge or consent of either Senate or House certainly could not, viewed in any light, represent the expressed wishes of the people. For this reason, I repeat, there must have been some secret motives for such unfair and clandestine legislation. clandestine legislation.

Mr. Speaker, the money owners of Europe, in conjunction with their copartners on this side of the occan, controlled the financial

legislation of this country then as they do now, and the reasons for this demonetization can be traced directly to their doors. In 1866 the war debt of this nation amounted to \$2,783,000,000 in round numbers, all being payable in lawful money, which at that time consisted of gold, silver, and paper. After considerable agitation and manipulation, these money owners, who had possession of the greater portion of this debt, succeeded in passing what is known as the credit-strengthening act of March 18, 1869. This act known as the credit-strengthening act of March 18, 1869. This act changed the contract of this vast amount of indebtedness from lawful money to coin and made it all payable in gold and silver. In order to make sure of this advantage the refunding act of July 14, 1870, was passed, which funded all our interest-bearing debt into bonds running ten, fifteen, and thirty years, payable, principal and interest, in coin. These bonds were originally purchased with cressphages worth on the average about 54 cents in cold with greenbacks worth on the average about 54 cents in gold on the dollar.

the dollar.

By this act they were funded into bonds payable in gold and silver worth more than par. Senator Jones of Nevada estimates the profits of these public plunderers through these transactions as follows: From 1862 to 1868 United States interest-bearing bonds were sold to the amount of \$2,049,975,700. The amount received for such bonds, discount on coin considered, was \$1,371,424,238, leaving a clear profit of \$878,551,462. This statement will stand the closest scrutiny, and of itself is simply appalling. But this vast profit did not satisfy the ambition of these conspirators; this vaimed at conquest, at the enslavement of the people. Well knowvast profit did not satisfy the ambition of these conspirators; they aimed at conquest, at the enslavement of the people. Well knowing the truth of the Scripture, which declares "the debtor the servant of the lender," they set about to accomplish this purpose. This enormous debt, which was payable by the terms of the original contract in three kinds of money—gold, silver, and paper—had been changed into a debt payable in but two kinds of money—gold and silver. The object now was to make this payable in but one kind of money—gold. They dared not attempt so soon to change the letter of the contract from coin to gold for fear of heior detacted in their scheme, and therefore took the less danbeing detected in their scheme, and therefore took the less dan-gerous course of demonetizing silver, which destroyed its legaltender functions and made it impossible of use in payment of the principal or interest of these bonds, and virtually, in this indirect manner, made them payable in gold alone. That this was one of the objects sought by the destruction of silver as money there can be no doubt.

Neither did it end here. The demonetization of silver meant the destruction of a large amount of the money of the nation and a consequent contraction of the circulating medium. This in turn brought about lower prices for the products of labor and began that industrial enslavement that we now see on every hand.

Our Western silver mines were at that time just being devel-oped, and these money owners feared the stream of white metal that seemed turned toward our mints would increase in volume, make money more plenty, prices for labor and its products higher, the people more independent, and the chance for industrial slavery less certain.

They conspired to make the dollars as dear as possible and to cost more and more sweat and toil each year to obtain. How well they have succeeded can be shown by the business wrecks scattered like autumn leaves throughout the length and breadth of our land, the mortgaged homes all about us, and the weary wanderers who fill the streets. The destruction of our silver currency has been followed by a contraction of over 50 per cent in the volume of national-bank currency, which seems to disclose a systematic attempt on bank currency, which seems to disclose a systematic attempt on the part of the money owners to reduce the currency of the country to the lowest possible point, in order to force the people further into debt and poverty. The contrast between the economic con-ditions of our people in 1866, before the successful accomplish-ment of the schemes of these plunderers, and the present time is almost beyond belief.

In 1866 Mr. McCulloch, then Secretary of the Treasury, declared

In 1866 Mr. McCalloch, then Secretary of the Treasury, declared that the people were comparatively out of debt. Now, out of a total of 12,600,150 families, 8,073,174 are homeless or live in mortgaged homes. Think of this; two-thirds of our people at the present time homeless or living under a mortgage. Then the people were nearly out of debt; now the grand total of national, State, municipal, corporate, and private indebtedness is estimated at \$38,000,000,000. In 1866 the number of business failures is given at 632, while for 1895 it is estimated at over 18,000. Then an acre of wheat on the average house the state of the secretary less than \$6. wheat on the average brought \$23; now less than \$6. Then an acre of wheat on the average brought \$23; now less than \$6. Then an average acre of corn sold for \$19; now less than \$5. Then a bale of 500 pounds of cotton was worth \$150; now it is selling for \$30. Then there were no tramps, no unemployed, and all who cared to work could do so at remunerative wages. Now 20,000,000 of our people are virtually unemployed and in distress.

These, in my opinion, are the ripe fruits of a financial policy which began in fraud, and unless checked at once will end in national ruin.

The laborer, the mechanic, the farmer, the tradesman, and the

effects of the law of supply and demand, which obtains in regard to the circulating medium with the same unalterable force that it applies to wheat or cotton. Reduce the quantity of wheat or cotton, leaving the demand the same, and each will naturally increase in price. Increase the amount of wheat and cotton and not increase the demand, and naturally the price will become less. Just so with our currency, increase the number of dollars, the demand for their use remaining the same, and the purchasing power of the dollar will decrease. On the other hand, decrease the number of dollars, leaving the demand for their use the same, and the purchasing power of each dollar will increase accordingly. The more dollars in circulation the less wheat and cotton Just the same as with a large crop of potatoes, they sell for less per bushel than when there is a smaller crop. On the contrary, if we contract or decrease the number of dollars, and at the same time require the same amount of business transactions, each dollar will become dearer, because scarcer, and will require more wheat and cotton and other products of labor to purchase. If we would apply the well known and common-sense law of supply and demand to the currency problem, much of its mystery would be dispelled, and any amount of demagogism and deception would be eliminated from its consideration.

To decrease the price of our product does not, as a rule, affect the price of other products, while a decrease in the volume of currency, which increases the purchasing power of money, affects the price of all commodities alike.

It has been stated on the floor of this House that the cost of production establishes the price of products. This can not be true, as will be seen by a moment's investigation. Suppose the corn crop was a failure in every State save North Carolina, would not the price of corn in North Carolina greatly appreciate? Most certainly. It would follow the law of supply and demand. But the fact that the cost of producing this crop of corn in North Carolina was no greater at this time than previous entirely explodes the control of the con theory that labor, or the cost of production, makes the price. When the farmer takes his cotton to market he receives the market price, without any regard for what his cotton cost him in production.

All other conditions remaining the same, it is the number of dol-lars in circulation that establishes the price of labor and its prod-ucts. There is not a political economist, living or dead, whose opinion is worthy of record who does not subscribe to the correctness of this statement. I might quote from the writings of hundreds of the most eminent statesmen, writers, and thinkers the world has ever produced to sustain this position; in fact, this proposition is no longer disputed and may be considered as a settled proposition of political economy. This fact, once agreed upon, renders it comparatively easy to show the manner in which our

renders it comparatively easy to show the manner in which our present distress has come upon us.

In 1866 the public records show, beyond successful contradiction, that the per capita circulation amounted to \$52. At the present time, according to the best authority, including Senator present time, according to the best authority, including Senator VEST of Missouri, there is not to exceed \$5 per capita in circulation among the people. This wholesale contraction of currency, through methods which are too lengthy to explain at this time, is the direct cause of nearly all the ills that now beset our people. Under this process of contraction the number of dollars was decreased, while at the same time more business transactions were taking place. This situation forced a less number of dollars to perform a double amount of work, which in turn increased their nurchesing power and as a result all values shriveled and their purchasing power, and as a result all values shriveled and fell. The law of supply and demand operated in a double capacity in this case, for not only was the supply of dollars lessened, but the demand for their use was increased. To illustrate the but the demand for their use was increased. To illustrate the baneful effect of such conditions upon property values, and at the same time disclose by a practical test the infallibility of this law, let us suppose a farmer in 1866 sold his farm for greenbacks and locked those greenbacks in a safety vault until to-day. Can he not buy with these same greenbacks three just as good farms as he sold? Who will dispute this?

Suppose, again, that in 1866 two farmers, Jones and Brown,

had each \$1,000 in greenbacks to invest in some speculation. Jones took his \$1,000 in greenbacks to invest in some speculation. Mr. Jones took his \$1,000 and invested it in wheat at \$3 per bushel, the average price at that date; but Mr. Brown locked his \$1,000 in greenbacks in a safety vault. Suppose both kept their holdings until the present time; how would the results of the transactions stand? Mr. Jones has 500 bushels of wheat that he can sell for \$300. On the other hand, Mr. Brown has \$1,000 in greenbacks with which he can buy 1,666 bushels, or more than three times the swent Mr. Jones has During these thirty wars Mr. Jones has During these thirty wars Mr. Jones has During these thirty wars Mr. Jones has been proving these thirty wars Mr. Jones has the swent Mr. Jones has During these thirty wars Mr. Jones has been proving the standard of the same proving the same p the amount Mr. Jones has. During these thirty years Mr. Jones's wheat has decreased more than 65 per cent in value, while the greenbacks of Mr. Brown, by a process of lessening the number of dollars in use and at the same time increasing the labor required antional ruin.

The laborer, the mechanic, the farmer, the tradesman, and the manufacturer all feel the blighting influence of this unfortunate and uncalled-for legislation. They are all suffering from the money. I will now undertake to show what the farmers have

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lost upon their crops, with little or no compensating advantages on account of falling prices.

In this connection I insert the following extract from the speech

of the Senator of Nevada [Mr. JONES] in 1893:

Let us endeavor to reach an approximate estimate of the losses sustained by our agricultural population since 1886, when President Cleveland first advised Congress to repeal the silver-purchase act of 1878 and to stop the coinage of silver dollars:

WHEAT.

According to the report of the Agricultural Department for December, 1892, the wheat crop of this country for the year then closed amounted to 516,000,000 bushels. On this quantity a loss of 44 cents per bushel, caused by the decline in the price of silver bullion, amounts to an annual sum of \$228,600,000 of debt and tax paying power, which amount apportioned among the principal wheat-producing States shows the loss of each of such States to be as follows (I give the figures in round numbers):

Wheat crop of 1892 in—	Bushels.	Loss.
Indiana	40,000,000	\$17,600,000
Minnesota	41,000,000	18,040,000
California	39,000,000 70,000,000	17, 160, 000 30, 800, 000
South Dakota	82,000,000	14,080,000
North Dakota	35,000,000	15, 400, 000
Ohio	88,000,000	16,720,000
Missouri	25,000,000	11,000,000
Illinois	28,000,000 24,000,000	12, 320, 000 10, 560, 000
Michigan Pennaylvania	19,000,000	8,360,000
Nebraska	16,000,000	7,040,000
Kentucky	12,000,000	5, 280, 000
Oregon	10,000,000	4,400,000
Washington	10,000,000	4, 400, 00

There may be added to these figures five to ten million bushels each for the States of New York, Maryland, Virginia, North Carolina, Texas, Tennessee, West Virginia, Wisconsin, and Iowa. The loss on wheat, therefore, suffered by the farmers of this country must be estimated at \$200,000,000 annually.

Average price per pound in New York— 1879 to 1885.	Cents.
1898	8
	-

Taking the crop year 1888-89 as an average year, and, for convenience of calculation, computing the loss at 3 cents per pound, we find that the total annual loss of the planters of the United States amounts to over \$100,000,000, distributed among the States as follows:

Cotton raised in-	Pounds.	Loss per year.
North Carolina South Carolina Georgia. Florida Alabama Mississippi Louisiana Texas. Arkansas Tennessee	END, 000, 000 275, 000, 000 480, 000, 000 32, 000, 000 422, 000, 000 532, 000, 000 240, 000, 000 719, 000, 000 350, 000, 000 162, 000, 000	\$6,900,000 8,250,000 14,400,000 960,000 12,675,000 15,980,000 7,200,000 21,570,000 10,500,000 4,860,000
Total	8, 422, 000, 000	102,660,000

This makes a total loss to the agriculturists of this country in wheat and cotton, by reason of the demonetization of silver, of over \$25,000,000 a year.

If these calculations were carried up to the present time the result would be far more startling. I quote further:

But the enormous yearly aggregate of lost purchasing power is comprehensible only when we multiply the acres now employed in growing staples by the declines shown in the acreage value of products since 1870. While very accurately measuring the farmer's loss of revenue by reason of the declining value of the acreage product, even multiplying the acres under staple crops fails to show the whole loss, as no account is thereby taken of the reduction in the value of animals and the thousand and one things produced on the farms of the United States, which have suffered, in many cases, quite as great a decline in value as have the great staples to which this showing is confined.

As 306,000,000 acres are now employed in growing staple crops, it follows that the power of the farmer to purchase is this year \$1,563,000,000 less than it would be if he was receiving the prices of 1865-1870 for his great staples. If the prices now realized in the farm markets equaled those received from 1871 to 1875, the farmer would this year be able to spend \$1,450,000,000 more for manufactures and other commodities than he will be able to spend with prices at the present level. Were prices now equal to the average of those obtained from 1876 to 1880, the purchasing power of the farmers would this year be augmented by \$768,000,000. Should the crops of 1893 give average yields, and the prices equal those current from 1881 to 1885, the farmer's spending power mould be \$465,000,000 greater than with present prices. Even with prices as low as those prevailing from 1886 to 1890 the farmers of the United States would have \$368,000,000 added to their debt-paying and purchasing power in 1893; and like advances on the other products of the farm would create an ample fund for buildi

30,000,000 who produce food and fiber of the ability to keep the wage worker employed by buying the products of artisan and operative?

Doubling the present price of wheat would probably add the price of six or eight days' labor to the cost of the year's supply of bread for the average family; but with wheat at an average of \$1 a bushel at the farm markets, and other farm products at proportionate prices, there would be no idle mills, and the earner of wages would have that easily procured and constant work which would assure him the continuous ability to buy bread. Would not that be far better than existing conditions and bread unattainable, though low in price?

Let us ascertain what India, our greatest rival, has been doing during these years. For that purpose I insert the following table, from official sources, which contains a lesson for every farmer in this country:

Statement showing the exports and average export price of raw cotton and wheat from British India during the years ended March 31, 1870 to 1891, and eleven months ended February, 1898, inclusive.

	Co	tton, raw.			Wheat.	
Year ended Mar. 31—	Pounds.	Value.	Price per pound.	Bushels.	Value.	Price per bushel
1870	909, 246, G32 494, 214, 448 503, 966, 170 627, 209, 632 561, 207, 920 510, 486, 388 382, 255, 728 442, 229, 312 508, 653, 312 508, 653, 922 907, 575, 130 567, 907, 856 409, 459, 646 609, 816, 544 601, 983, 872 697, 137, 672	95, 412, 315, 412, 315, 412, 315, 412, 315, 418, 757, 73, 235, 242, 63, 748, 603, 656, 381, 685, 45, 059, 299, 37, 987, 687, 687, 687, 687, 687, 687, 687, 6	12. 62 13. 62 14. 59 11. 68 11. 36 10. 86 11. 30 11. 44 12. 09 11. 31 11. 15 11. 94 11. 36 11. 36 11	1,189,252,258,686,327,781,2,004,156,4,986,563,1,972,546,4,109,495,128,986,129,421,645,39,322,658,41,558,765,25,271,29,328,744,628,25,764,124,265,764,124,267,764,124,267,764,124,267,731,562,271,29,201,201,201,201,201,201,201,201,201,201	5, 396, 482 15, 734, 122 42, 573, 892 29, 226, 307 42, 699, 895 30, 316, 896 38, 425, 58 41, 404, 73 26, 699, 300 36, 111, 744 27, 804, 55 49, 003, 64	1. 07 90 1. 09 1. 21 1. 13 93 93 1. 15 1. 15 1. 14 5. 1. 15 1. 10 1. 10 90 1. 21 1. 13 90 1. 15 1. 15 1. 12 1. 13 1. 14 1. 15 1. 15 1. 16 1. 16

NOTE.—At the request of Mr. George O. Jones the rupee has been reduced to United States money at the rate of 43 cents per rupee.

8. G. BROCK, Chief of Bureau.

TREASURY DEPARTMENT,
Bureau of Statistics, April 16, 1898.

It must be understood in connection with this table that the increase in amount of cotton produced in India is greater than the increase in the production of wheat. This does not show in the tables, since a very large per cent of the cotton since 1873 has been retained at home for manufacture.

The silver of the United States since 1873 has aided in building up the India wheat industry from an export of 1,000,000 bushels in 1873 to 54,000,000 bushels in 1893. It has also aided in developing the cotton industry in proportion. Is it not time to stop such a suicidal policy and keep our silver at home to benefit ourselves? If our silver has been such a benefit to India, would it not benefit us in like manner? In my opinion it would.

Not only are our agricultural industries threatened with destruction through this Asiatic competition, but our manufacturers have taken the alarm. Already the manufacturers in many lines, es-

taken the alarm. Already the manufacturers in many lines, especially where hand labor is used, are being driven to the wall by the overpowering competition of Japan and China. To-day the mechanics and tradesmen of this country are in greater danger than any other class by reason of the competition of these silver-using countries. No tariff can be placed high enough to shut them out, and unless we utilize our own silver, instead of granting

them out, and unless we utilize our own silver, instead of granting them that privilege, these conditions will continue to intensify. The advantage of these silver-using countries over us lies in the fact that their merchandise is manufactured and their agricultural products made with silver and sold for gold, while we are compelled to use gold in production and receive gold in payment. This gives the silver-using countries an advantage of the difference between the price of gold and silver. For example, the manufacturer in Japan can get just as many yards of cloth made for \$5 in silver as the manufacturer in Massachusetts can for \$5 in gold. Now, when the manufacturer of Japan meets the manufacturer of Massachusetts in Spain, for instance, in a business competition, he can undersell the manufacturer from Massachusetts by the difference between the cost of \$5 in silver and \$5 in competition, he can undersell the manufacturer from Massachusetts by the difference between the cost of \$5 in silver and \$5 in gold. This difference would be so great under the present low price of silver that the Massachusetts manufacturer would be driven out of the market and his business ruined. What is true with this manufacturer is also true of the wheat grower, the cotton planter, and hundreds of other industries in this country. The foreigner comes over here now and buys our silver product, manufactures it, as it were, into a club with which he beats out our commercial brains. Just how long this suicidal policy will be commercial brains. Just how long this suicidal policy will be

continued depends upon the intelligence and the degree of awakening among our people. We are producing about \$70,000,000 in silver annually and making no use of it as a money metal. Instead we are selling interest-bearing bonds to buy gold to take its

Mr. Speaker, we are met at this point with the plea of overproduction; that we are producing more than we can consume and that prices are forced to their present low level under the law of supply and demand. Not so. The supply is ready, and in abundance, and heaven knows the demand never was so great or so urget but the ability to purchase in working. gent, but the ability to purchase is wanting. It is not an overproduction that threatens our country, but an underconsumption,

which has been brought about through the contraction of our currency and the consequent appreciation of the dollar.

If all our people were comfortably fed, housed, and clothed, there neither could nor would be an overproduction, speaking in general terms. It is an indisputable fact that the wants and desires of a community keep even pace with increased production. The luxuries of yesterday become the necessities of to-day, and the whims of to-day become the settled fashions of to-morrow.

The old is discarded for the new, and the new is taken with the anticipation of being replaced by something different in the near anticipation of being replaced by something different in the near future. This applies to but one class of producers as a rule. It will hardly apply to the farmer. Wheat makes flour now as it did when first produced. Beef, pork, cotton, and wool fulfill about the same mission among the race as ever, with the exception of being more largely consumed. Production in this direction has been very largely increased. Yet there is no overproduction. There can be no overproduction of wheat or meat while any of our people are suffering from hunger. There is no overproduction of boots or shoes when people are barefoot, or of clothing when people are poorly clad. There is no overstock of laborers when thousands are suffering for want of the articles these laborers could produce, neither are there too many homes when they could

thousands are sunering for want or the articles these laborers could produce, neither are there too many homes when they could be filled with tenants able to pay rent if work could be obtained. If we take the statistics relating to agricultural products and consider them simply as statistics, the results seem to prove an overproduction, but the moment we consider them in the light of an underconsumption the true condition is discovered at once.

In 1867 50,841,765 acres of wheat and corn produced 980,761,400 hashels of grain, that brought the faymers \$1.023,744,850

In 1867 50,841,765 acres of wheat and corn produced 980,761,400 bushels of grain, that brought the farmer \$1,032,744,850. In 1893 106,665,883 acres of the same cereals produced 2,015,627,856 bushels, that brought the farmer only \$804,797,008. That is, double the number of acres and more than double the amount of grain brought \$22,947,842 less than in 1867. In 1867 we had \$52 per capita, while in 1893 we had less than \$5. In 1867 the population of the United States was 36,269,000. The amount of wheat produced was 212,441,400 bushels, or 5\{\} bushels per capita. In 1893, with 70,000,000 people, the product of wheat was 396,131,725, or 5\{\} bushels per capita. These figures disclose no overproduction in 1893 as compared with 1867. In 1867 there was 26,564,607 bushels of wheat exported, or 12.39 per cent of the total production, leaving 187,891,121 bushels for home consumption, 5\{\} per capita. In 1893 there was exported 182,276,406, or 46 per cent of the total production, leaving 213,955,319 bushels for home consumption, or 3\{\} per capita. per capita.

The overproduction theory does not hold good again. In 1867 we exported only 12.4 per cent of the gross production, while in 1893 we exported 46 per cent. In 1867 we retained for consumption 51 bushels per capita, yet in 1893 we retained only 31 bushels per capita. But we will go to other sources and ascertain the required amount of food products to maintain life and health among our people and compare the result with the actual amount produced—this surely ought to be final.

If it can be shown that the people of the United States could consume this entire amount by being properly fed, then the whole question would turn on the ability of the different countries to purchase. Until it becomes a matter of actual want, which is not looked for in this case, the condition of the people in regard to their ability to buy and consume will determine the volume of export. ability to buy and consume will determine the volume of export. The ability to purchase must be considered in connection with the ability to hold, or the necessity to sell, since they are all prime factors in the level price of the products of labor. If the people of the United States, in order to be fully and properly fed, demand the entire product of wheat, it must follow that whatever may be exported is because of a willingness to surrender certain comforts that are found in good living for the sake of receiving an equivalent from some other source, or relief from debt or similar obligations. It is not fair to presume that the people of this counequivalent from some other source, or relief from debt or similar obligations. It is not fair to presume that the people of this country or any other would deprive themselves of their natural allowance of bread or food as a mere act of philanthropy. The world has become too selfish for such action. These conditions are only brought about by the necessity to sell, which usually obtains through the medium of debt. The quantity of exports, therefore, in this case becomes a matter of contention between the demands of the stomach on the one side and the importunities of the creditor on the other. It is safe to assume that were all the people of the

United States properly fed there would be very little, if any, products remaining for export. As proof of this, reference is made to the following section of the Army Regulations:

A ration is the established daily allowance of food for one person. As now fixed, its components are as follows: Twelve ounces of pork or bacon or canned beef (fresh or corned), or 1 pound and 4 ounces of fresh beef, or 22 ounces of salt beef; 18 ounces of soft bread or flour, or 16 ounces of hard bread, or 1 pound and 4 ounces of corn meal; and to every 100 rations 15 pounds of beans or pease, or 10 pounds of rice or hominy: 10 pounds of green coffee or 8 of roasted (or roasted and ground) coffee, or 2 pounds of tea; 15 pounds of sugar, 4 quarts of vinegar, 4 pounds of soap, 4 pounds of sait, 4 ounces of pepper, 1 pound and 8 ounces of adamantine or star candles; and to troops in the field, when necessary, 4 pounds of yeast powder to 100 rations of flour.

In addition to the above, the following has been made:

In addition to the above, the following has been made:

1. By direction of the Secretary of War, the following proportions are fixed for issues by the Subsistence Department of the pound of vegetables added to the ration by section 5, act of June 18, 1890, viz:

1. One hundred per cent in fresh potatoes; or,

2. Eighty per cent in fresh potatoes and 30 per cent in canned tomatoes, or, or such fresh vegetables as can be procured in the vicinity of the station, or which it may be practicable to furnish from a distance in wholesome condition, such as onions, cabbages, beets, turnips, carrots, and squash.

tion, such as onions, cabbages, beets, turnips, carrots, and squash. The above ration is considered by army physicians as sufficient and proper for the sustenance of a United States soldier, and can with equal propriety be applied to all our citizens, due allowance being made for children. It can not be expected that exact figures can be given or precise results obtained, but approximate estimates can be made from fair and reasonable premises that are both conclusive and convincing. If a deduction of 20,000,000 be made from the present population for children, the 50,000,000 remaining may fairly be considered so far as consumption of food remaining may fairly be considered, so far as consumption of food is concerned, as men and women. Upon this assumption the folis concerned, as men and women. lowing results would be obtained:

	Per day.	Per year.	Fifty million people.
Beef	Ounces. 20 18 24 16	Founds, 450\(\pmathbb{4}\) 410\(\pmathbb{5}\) 57 365	Pounds. 22, 812, 500, 000 20, 525, 000, 000 2, 850, 000, 000 18, 150, 000, 000

If these enormous sums are reduced to the natural product by reckoning beef at 700 pounds per animal and flour at 38 pounds to the bushel, the result is as follows:

The second secon	
Beef cattlenumber	32, 589, 285
Wheatbushels	
Beansdo	
Potatoesdo	304, 166, 666

From these figures it is seen that the wheat crop of 1893 would fail to supply the home demands by 143,999,874 bushels. Remem-

rail to supply the home demands by 143,399,874 bushels. Remember this does not allow a single pound for exportation.

In 1892 there were only 52,095,588 head of cattle (estimated) in the United States. In 1893 the total production of potatoes was 183,034,203 bushels, and the crop of beans amounted to about the Government estimate of what is necessary for the support of its soldiers can not be applied to the balance of its citizens. The accuracy or abundance of these rations is not involved in this inquiry; the plain statement of facts is all that has been considered. By substituting other products of equal life-giving qualities in part for some of those mentioned in the rations it will be discovered that, taken as a whole, the annual consumption under these conditions would permit but little, if any, sales abroad. The inquiry and investigation sought to be inaugurated by this showing are, Why are not these products consumed at home? other nations better prepared to purchase the products of this country than the people are to hold and consume them? If such is the case, what is the cause and wherein lies the remedy? If the citizens of the United States are not in condition to consume their own products, is it not time to institute a vigorous inquiry as to the reason?

These statistics disclose a condition that should of itself refute the doctrine of overproduction, since it proves conclusively an underconsumption. There are other theories equally as erroneous put forward to account for the distress among the people, but I can only take time to expose the fallacy of the one used with greatest force among the people, that of overproduction. I am in favor of the free and unlimited coinage of both gold and silver at the present ratio and of issuing in addition to this a sufficient amount of full legal-tender paper money so that the aggregate would restore the price of labor and its products to the point occupied in 1872. I believe in the absolute abolition of all banks of issue, and, as Mr. Jefferson said, "restore that function to the Government, where it belongs."

I believe this would be fair to the great, plain people, whose toil and sweat pays for all in the end. I believe such legislation would fill the land once more with prosperity and contentment. The people have discovered that they have been plundered for the benefit fit of those having fixed incomes. They realize that England, the robber nation of the earth, through her Rothschilds, are consuming the industries of this country by usury. Well may Mr. Gladstone declare against free coinage and cheaper money when Engand holds obligations against the people of other nations, as he then boasted, amounting to over \$10.000,000,000. Having cornered more than half the gold of the world, they insist on forcing its pur-chase at their own price. These alien financial buccaneers, having chase at their own price. These alien financial buccaneers, having fixed and established the price of gold by law, are determined that silver shall have no such rights. In order to make gold do a double amount of work and thereby enhance its power to oppress they are continually making assaults upon silver in order to degrade it in the eyes of the business world. It is claimed that should silver be remonetized it would remain at a discount as compared with gold. This would prove true if Government officials should pursue the same course as at present. If in payment of obligations the Secretary of the Treasury should, as now, refuse to pay out silver and utterly discard its use, of course it would fall to a discount. With the bill granting free coinage I would enact the following, as presented by Senator BUTLER recently in the Senate:

SEC. 4. That the issuance of interest-bearing bonds of the United States for

lowing, as presented by Senator BUTLER recently in the Senate:

SEC. 4. That the issuance of interest-bearing bonds of the United States for any purpose whatever, without further authority of Congress, is hereby prohibited; and that the Secretary of the Treasury when redeeming United
States notes, commonly called greenbacks, and Treasury notes issued under
the provisions of the act of July 14, 1890, and when liquidating either the interest or principal of any of the Government's coin chigations, is hereby directed to make such payment in gold coin whenever the market value of 25.8

grains of standard gold is less than the market value of 4124 grains of standard sliver, and to continue to pay in such gold coin until the market value of 25.8

grains of standard gold shall be equal to the market value of 4124 grains
of standard sliver; but when the market value of 25.8

grains of standard gold shall be equal to the market value of the original of standard sliver has the market value of 4124 grains of standard gold

shall be greater than the market value of 4124 grains of standard sliver he

shall pay the interest and the principal of said coin obligations as they become due in sliver coin, and continue to pay the same in sliver coin until the

market value of 4124 grains of standard sliver ahall be equal to the market

value of 25.8 grains of standard gold, and said notes, commonly called green
backs, when so redeemed, shall be reissued, as provided by the act of May 31,

1878.

I will quote from Senator BUTLER upon that subject:

I will quote from Senator BUTLER upon that subject:

The provisions of this section are perfectly simple and plain. It simply directs the Secretary of the Treasury, in express terms, with no option, to do what everybody thought he or any patriot would do in exercising the option of the Government in paying our coin obligations. The law expressly declares that he shall use this option to keep gold and silver at a parity. If that law means anything it means that whenever, for any cause, there is a greater strain on gold—that is, a greater demand for gold than for silver—that then he shall use the Government's option to pay our coin obligations in silver, and, on the other hand, whenever silver is scarce, whenever there is a greater demand for silver and the price goes up, that then he shall equalize the demand for the two metals by paying our coin obligations in gold and continue the strain on gold until the two metals come backto a parity.

I will illustrate. We can coin gold and silver on equal terms, but the Secretary of the Treasury can send silver to a premium or gold to a premium just as he chooses, by an improper use of the option which is vested in him by law of paying out gold or silver on our coin obligations. This option was vested in him so that he could keep the two metals at a parity, but if he cares nothing for his cath of office, or for the isterests of the people, or the two metals. So far he has used his option for the profits of the gold trust, against the interests of the American people, and to the detriment of the credit of our Government.

It was intended in accord with the law of supply and demand that the two money metals should be kept at a parity by transferring the demand from one metal to the other. There is no other method by which this parity can be maintained. Now, this option has been transferred from the debtor to the creditor, who stands as the controlling power. Under the amendment of Senator BULLER the free coinage of silver would not be a disturbing factor as is now prophesied. The fact that interest-bearing bonds are being sold in a time of profound peace for the purpose of preventing the free use of silver is both a crime and a disgrace and should drive any party from power who would consent to or become responsible for such infamous transactions. When we realize that all these sacrifices are being made to satisfy the rapacity of alien investors the enormity of the crime is fully disclosed.

When silver was stricken down and our currency contracted our people were compelled to borrow from the alien what our It was intended in accord with the law of supply and demand

our people were compelled to borrow from the alien what our own Government refused to furnish. Our people were compelled to go to the alien money lender to borrow a medium of exchange that our own chosen representatives had stealthily or ignorantly taken from them. It was the contraction of our own currency that has entailed this enormous foreign debt that now hangs like a millstone about the necks of our people. Had we at all times been furnished with a sufficient amount of domestic currency, been furnished with a sufficient amount of domestic currency, whether of gold, silver, or paper, we would not owe at this time a single dollar to the alien shylock. It is this criminal collusion on the part of our lawmakers with the money owners of Europe that has brought the people to their present unfortunate condition. For my part, I want this foreign alliance broken up as soon as possible and an American policy, with no alien complications, its place.

inaugurated in its place.

I am in favor of the free and unlimited coinage of silver, not because it will be a final settlement of this financial question or bring about complete relief from the evils under which we now suffer, but it will right a grievous wrong and afford a certain

degree of relief; and besides it is close at hand. It is now in the degree of relief; and besides it is close at hand. It is now in the minds of the people; they are clamoring for it, and will pay but little attention to other reforms until this has been secured. The free coinage of silver lies very near the great American heart of this country, and all other measures will count for naught until this has been fully and finally established. The demand for free coinage is spreading rapidly, and I sincerely believe there is not a State or a single Congressional district in this Union that could not be availed for free coinage upon that aguars is greately and the state of the coinage is spreading the congressional district in this Union that could not be availed for free coinage upon that aguars is greately and the coinage is spreading the coinage is spreading the coinage is spreading the congressional district in this Union that could not be availed for free coinage upon that aguars is greately and the coinage is spreading the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage is spreading the coinage is spreading the coinage in the coinage is spreading the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coinage is spreading the coinage in the coinage in the coin State or a single Congressional district in this Union that could not be carried for free coinage upon that square issue alone. For one I am in favor of an American Covernment in the true sense of the term. I am in favor of an American system of finance such as our 70,000,000 of free, intelligent people should have and enjoy. I am opposed to an international currency, as being both dangerous and unsettled. What we want, in my opinion, is a domestic currency of gold, silver, and paper, all a full legal tender and of sufficient volume to bring about and maintain remunerative prices for labor and its products.

Let us make laws for our own people, for the whole of our own people, and let other nations do the same. Let us defend our people from every foe, whether they come in the shape of armed men or as cunning manipulators of our legislation. Let us stand squarely upon our rights as a free and independent people in a respects. In order to bring about such conditions speedily we should at once determine upon an independent American system

should at once determine upon an independent American system of finance. Why should 70,000,000 of Americans bend the knee to the alien Jews of London? Why should this great nation go begging for gold when silver mountains high lies piled up waiting for

within its borders?

use within its borders?

Mr. Speaker, we should open the mints to the free and unlimited coinage of silver and reap the benefits of this vast wealth of silver that so long and so invitingly awaits. It would make the dollar cheaper and correspondingly loosen the bands of industrial slavery that now are so galling to our people. It would make the day's work more profitable and the burden of debt less difficult day's work more prontable and the burden of debt less difficult to carry. It would make the day's works more plentiful and bring comfort where there is now distress, bread and meat where there is now hunger, and clothes where there is now rags or nakedness. It would dispel the dark clouds that now hang low and threaten-ing and bring the glad sunshine of peace and prosperity in its

stead.

We can inaugurate a system that will bring these much-desired results by guaranteeing the free coinage of silver, after which we can take up other measures and in the ultimate establish once more a government of the people. The power of the gold trust would be broken by such a course and the power which money now has to oppress would be destroyed. Having destroyed this plundering monopoly, we could successfully attack the next most oppressive, and in time wipe out the entire brood. This, I assume, is in line of duty with reform principles, and as such I am both willing and anxious to give it my earnest support.

Coin Redemption Fund.

SPEECH

HON. WILLIAM P. HEPBURN.

OF IOWA.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, February 8, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. HEPBURN said:

Mr. CHAIRMAN: Upon many questions I would accept the statement of the gentleman from Kentucky as of undoubted authority, but I am not willing to accept him as an authority when he discusses economical or historical facts. The gentleman has adverted to the fact that he was a member of the International Moneters Complement. tary Conference.

I have wondered, Mr. Chairman, why it was that the strength of the cause of those men who appeared as members of that conference, urging an international agreement with reference to the coinage of silver at an agreed ratio had failed of success. Ido not wonderso much now after the gentleman has just announced that "the law of supply and demand always fixes value." If he announced that doctrine before the savants that composed the tribunal at Brussels I do not wonder that they failed. [Laughter.]

Supply and demand, Mr. Chairman, fix price, not value. Value is fixed by the cost of production, not by the law of supply and demand.

The gentleman has been equally unfortunate in his reference to historical facts. He made the astonishing announcement here that the Republican party of this country had demonetized silver. Mr. Chairman, he gave that statement something more than the character of an ignorant misstatement by his reference to the coinage laws of the United States, showing that he had at least some familiarity with the legislation on the subject.

Mr. McCREARY of Kentucky. Will the gentleman allow me

to interrupt?
Mr. HEPBURN.

Mr. HEPBURN. For a question, yes; for a statement, no.
Mr. McCREARY of Kentucky. I only wish to state that what
I said was that the Republican party had dropped the coinage of
the dollar by the act of 1873. and I think if the gentleman will
read the act he will find that they dropped the coinage of the sil-

wer dollar in that year.

Mr. HEPBURN. The gentleman said that "the Republican party had demonetized silver." I call the gentleman's attention to the fact that at the close of the Administration of Buchanan there was probably not one dollar of silver in the United States that had full tender quality. We had coined but \$8,000,000 in all during the history of the country. There is probably not one man within the sound of my voice who, prior to 1878, ever saw a dollar weighing 4124 grains. The dollars that we had disappeared, and in 1853 the Democratic party had taken from the foreign coin, at the same time estimated at about \$100,000,000, its legal-tender We did not demonetize silver; it was the action and inaction of the Democratic party that has caused silver to disappear in this country as metallic money. The Republican party, Mr. Chairman, has been the only party ever existing in this country

Chairman, has been the only party ever existing in this country that by its deeds has shown that it was the friend of silver.

Mr. LIVINGSTON. Are you willing to restore it?

Mr. HEPBURN. I am when you will restore the old conditions to the silver. You say that you "want to restore silver"; now let us have the old conditions. "We want the 'dollar of the daddies," is your cry. What was the dollar of the daddies? It was the dollar of 412; grains of standard silver, coined out of silver worth \$1.29 per ounce. [Applause.] That was the dollar of the daddies. Restore its quality—restore its value as silver bullion and we stand ready to restore the dollar of the daddies.

Mr. LIVINGSTON. How can you—

Mr. HEPBURN. Answer that yourself; don't put it to me.

Mr. LIVINGSTON. Let me complete it. How can you do that unless you restore the demand for it?

Mr. HEPBURN. You are asking for the restoration of the dollar of the daddies. You propose to restore its value by mere coinage, and yet you all acknowledge that that will not do it.

Mr. LIVINGSTON. I don't acknowledge it.

Mr. HEPBURN. Something more than coinage is necessary. lar of the daddies.

If the Republican party were to consent to the free coinage of silver, that would not restore the dollar of the fathers. It would restore perhaps that quantity of silver as a part of the money of restore perhaps that quantity of silver as a part of the money of this country; but it would require something more than that to give it its full value in the money markets of the world. It would require that other act of friendship that the Republican party has illustrated, namely, that of injecting the credit of the United States to make good the deficient value of the bullion. And in that the Republican party, more than all else, has shown its friendship.

Mr. LIVINGSTON. What would happen to gold if you took way the Government indorsement?

Mr. HEPBURN. If the Chair would repress the sometimes irrepressible gentleman from Georgia, it would be a pleasure to

Mr. LIVINGSTON. I have no doubt of it.

The CHAIRMAN. If the gentleman from Georgia desires to sk a question, he will rise and address the Chair. Otherwise the s he will remain in order.

Mr. HEPBURN. Why is it, Mr. Chairman-

Mr. LIVINGSTON. Mr. Chairman, may I ask the gentleman a question

The CHAIRMAN. Does the gentleman yield?
Mr. HEPBURN. Yes, I yield.
Mr. LIVINGSTON. If you take away the indorsement by the Government of gold bullion or the gold dollar, what will be the price of gold bullion?

Mr. HEPBURN. I think it would remain precisely the same as it is to-day

Mr. LIVINGSTON. If the indorsement of the world was withdrawn from it, as it has been from silver?

Mr. HEPBURN. You said "the Government of the United

Mr. HARDY. When did the Government of the United States over indorse gold bullion?

Mr. HEPBURN. The silver dollar has two elements of value, entirely distinct

Mr. LIVINGSTON. May I ask the gentleman another ques-

Mr. HEPBURN. I decline to be further interrupted. I have only twenty-five minutes, and in twenty-five minutes I could not answer all the questions that gentlemen from Georgia could ask.

They need to ask many.

Our silver dollar has two elements of value in it—the 53 cents of bullion value and the 47 cents of the credit of the United States. The two make it equal to the gold dollar, and that is the reason why we are not suffering from conditions that are suffered in the Republics south of us.

Mr. BOATNER. Mr. Chairman— Mr. HEPBURN. I can not be interrupted by questions which are meaningless as a rule.

Mr. BOATNER. I do not intend to ask the gentleman a mean-

ingless question.

Mr. HEPBURN. If you desire to ask a question for information I will try to answer it.

Mr. BOATNER. Yes, I do. I want the gentleman from Iowa to please explain to us wherein the credit of the United States

operates upon the silver dollar.

Mr. HEPBURN. It operates in the pledge of the statute that the Government of the United States will maintain silver at a parity with gold, and the Republican party put that pledge into Mr. BOATNER. Will the gentleman now please inform us-Mr. HEPBURN. I did not yield for two questions.

Mr. BOATNER. This question naturally follows the other. What can be done under the act of 1890, or what is required by law to be done under the act of 1890, to make that pledge good? In other words, how is it that the United States maintains in circulation about 400,000,000 silver dollars at a parity with gold, when there is not so large a circulation maintained at a parity by any other Government in the world?

Mr. HEPBURN. That is a question for the Treasury Department rather than myself. We know the fact that the parity is maintained. Just how it is maintained I am not at all desirous

of explaining to the gentleman.

Mr. Chairman, I am not in favor of the free and unlimited coinage of silver until we can have an international agreement whereby there can be a fixed price for silver as measured by gold. When we can secure an agreement from the commercial nations as to ratio and as to free coinage, then there will be a union of value between the gold and silver, or the price of gold and silver, that can not be separated. In every part of the world that ratio

Mr. McMILLIN. If it will not interrupt my friend, I should

Mr. McMillars. If twill not interrupt my friend, I should like to ask him right there—
Mr. HEPBURN. I must decline to be interrupted. I have only twenty-five minutes, and I desire, connectedly, if I can, to make the remarks that I desire to make.

Mr. McMILLIN. I beg the gentleman's pardon.

Mr. HEPBURN. It was asserted here yesterday by a gentle man in whom I have great confidence, and whose opinions with me weigh much, that an international agreement was hopeless, that it was folly to expect it. He said to us in his admirable address that the money power, the banking interests of England, as he expressed it, are opposed to an international agreement; that that power is opposed to the use of silver as a money metal; that that power is interested in making dear the money of ultimate redemption; that that power is the creditor power of the world. He spoke of England as the creditor nation of the world. Ah, gentleman, that is a mistake. It is not England to whom America owes money, or Italy owes money, or the Turk owes money. It is to a limited class of the people of England, who may, it is true, be now supreme in the exercise of power, but the fact that they are so to-day is not an evidence to my mind that they will so

This same gentleman admitted that the party of the landowning interests of England was the dominating one prior to the tri-umph of Cobden; and yet new interests grew up, the people were educated into new ideas, and the manufacturing interests, as he told us, asserted themselves, overthrowing the once dominant power, changing the policy of England with regard to protection, repealing the corn laws, and starting out upon new lines. For a time the manufacturing class was in power, but in time it was overthrown and the banking interest became and continues to be

dominant.

I take it, Mr. Chairman, that there is a reserve power there as here in the hands of the people. The people of the United States know that it is their interest, the interests of the masses, that the money of ultimate redemption should not be limited, know of the quantity in the world one-half should not be de-stroyed. They know that their interests demand that gold and silver alike should be the money of ultimate redemption. We have been agitating this matter. A little more than twenty years ago so little was thought upon the subject of silver that it is said the silver dollar was dropped from the coinage of the United States without knowledge upon the part of the people. They had so little interest in the question then; but since that time its restoration has been agitated.

Since that time the people have been educated. Since that time thought has been directed in this channel of restoration. Now, all over this land, save in banking circles, we find the people of the United States a unit on the proposition that gold and silver shall be standard money in the United States. What is the interest of an American is the interest of an Englishman of the same class. If the agriculturists if the manufacturers if the laboring class. If the agriculturists, if the manufacturers, if the laboring men, if professionals here, all save the banking class, are thus unanimous upon this question, isit not reasonable to presume that when education upon the subject has gone as far in England as here, when agitation has been had, then when the masses are taught on what lines their interests run, will not they exercise the reserve force they possess and overthrow, as has been done twice in the last half century, the controlling class, and compel a re-luctant Administration to give to them their rights and to carry

luctant Administration to give to them their rights and to carry out their interests in this matter of silver coinage. Instead of being hopeless, in my judgment, this result is as certain as that time flies, and that the people become interested in the great questions that lie closely to them and to their homes.

I believe, as the Republican party has declared, that in international agreement lies our hope; that it has the elements not of possibility, of probability, but of certainty. I censure, if I may be allowed to use that term, the President of the United States for his inaction in this matter. It is said by some that legislation is necessary in order that he may reconvene the monetary conference. Not so. The conference was convened and with their business uncompleted they adjourned, expecting to be called together ness uncompleted they adjourned, expecting to be called together in May, 1893—an expectation thus far denied; but there is power in the statute, power in the hands of the President, to reconvene that conference, to renew that argument, and to send someone there, representing the United States, who will not make the blunders in the matter that the gentleman from Kentucky probably

d. [Laughter.] Mr. Chairman, I have said that the Republican party has demonstrated the fact that it was the friend of silver. We have to-day within the limits of the United States nearly \$700,000,000 of silver coin. In 1873, when these gentlemen say the Republican party struck down silver, there were not \$50,000,000 within the country. We have added nearly \$650,000,000. Does that look as though we were unfriendly? But the gentlemen say that the act of 1873 was an act of unfriendliness in that it destroyed, so far as the mints of the world the weeks for the white most they were concerned, the market for the white metal. Do not they know that under that act in less than three years \$35,000,000 of silver was used at the mints in coining trade dollars alone, more than five times the amount that ever was coined in any year prior to 1873 into silver dollars? It has done no act save one, perhaps, and that under Democratic inspiration two years ago, that evinced the slightest degree of unfriendliness to silver.

I confess, sir, in the act of 1898, repealing the Sherman Act— nnwarranted, unjustified by conditions, unjustified by any ful-filled prophecies, was an act in that direction, but I am assured that no Damocrat can urge that as an objection against the Republican party. Yielding too suddenly, too quickly, to the hysterical fears of the Democratic Administration, that meritorious act was stricken down. I have never believed that it could have been harmful to the credit of the United States. Certain gentlemen say that the enlarged use of silver would be destructive of our credit. While I am not in favor of the free coinage of silver, I am in favor of the use of silver to the extent that it is necessary to meet the demand for expansion resulting from our growth in population and our development as a commercial and manufac-

turing people.
In 1800 we had \$407,000,000 of money of all kinds in the United States. To-day of all kinds, counting the silver certificates and the duplicates, we have \$2,300,000,000 of money. One billion nine hundred million dollars have been added to our circulation by the nundred million dollars have been added to our circulation by the Republican party, about \$60,000,000 a year. That amount seems to have been necessary to meet our increasing population, growing at the rate of more than a million and a half each year, and to meet the demands of our increased business, whose expansion is even more rapid than the growth of our population. That money was absorbed by the people, and no man claims that there was too much of it. much of it.

In my belief, Mr. Chairman, that measure of expansion of the circulation ought to be continued, and it were much better that circulation ought to be continued, and it were much better that it should be continued by the use of the mints in coining silver rather than by the use of the printing press in printing promises to pay. But gentlemen say, as they said then, "This will destroy the credit of the United States." Ah, those pessimists have forgotten the glorious history of this country under Republican Administration. I can remember a time when we had just

emerged from the gloom of desolating war, and when a burden of two and three-quarter billions of debt rested upon this nation. At that time, too, thirteen States had been harried by war and were not in any degree contributing factors to the wealth of the United States

Here the hammer fell.]

Mr. STEELE. I ask unanimous consent that the gentleman from Iowa be allowed ten minutes more.

The CHAIRMAN. Is there objection to the request of the gen-

tleman from Indiana that the time of the gentleman from Iowa be

extended for ten minutes more?

Mr. JOHNSON of California. Mr. Chairman, I interpose no objection, and I am glad the extension is to be made, but I want to call attention to the way in which the Chairman makes fish of one and flesh of another, because when it was undertaken by the gentleman from South Carolina [Mr. McLaurin] to give me some

The CHAIRMAN. The gentleman will be order. Is there objection? [After a pause.] The Chair hears none, and the gentleman from Iowa will proceed.

Mr. HEPBURN. At that time, Mr. Chairman, there were only 30,000 miles of railway in the United States; none of the Pacific

adjust miles of railway in the United States; none of the Pacific railroads were built; the coast beyond the mountains was unable to contribute to our wealth production to any great extent. We had then only about half our present population. And yet, under Republican control, which for many years prevailed, and with the confidence that came from that Republican control, the credit of the United States went higher and higher and higher until it reached a point never before reached by the credit of any nation

and now, as was said so admirably by the gentleman from Montana, with the comparatively inconsiderable debt that we have, only about six hundred millions of bonded debt when this Administration came into power, and less than a thousand millions of all kinds of unprotected debts, the idea that the addition of \$60,000,-000 of silver would burden or disparage the credit of the United States is one so grossly insulting to the intelligence of our people States is one so grossiy insuling to the intelligence of our people that I marvel that any man, even though driven by the stress of the absence of other arguments, should have the temerity to advance it. Fifty million dollars of silver affect our credit! Remember that when we purchase the silver we have it; so that the case is very different from issuing promises to pay. It is not like issuing a bond or issuing an uncovered note. In coining silver we do not add to our burden, because we have that which we have anywheed.

we have purchased.

Mr. Chairman, I want to call the attention of my own party friends to our attitude as a party upon this question. I hold that the repeal of the Sherman Act was, in view of the declarations of our party in 1890, an unwarranted attempt to write anew the party law. That declaration in the platform of 1892 was made in view of the then existing conditions. Every statute affecting our monetary condition had been upon the statute book for years, and that plank of our platform was intended as a vote of approval to that plank of our platform was intended as a vote of approval to the public servants who had enacted the then existing laws.

I do not believe it is competent for any gentlemen here from I do not believe it is competent for any gentlemen here from any of the States, whether silver producing or not, to write anew the party law. Let us wait until we meet in the recognized tribunal. Let us trust to that leadership which has carried the party and the country safely through every storm. In all the years of the past that leadership has been equal to the vicissitude that have surrounded us. Let us not, by any attempted action of our own, thwart the splendid possibilities for continued service in command of the ship of state by, in any unwarranted way, undertaking to write anew the party doctrine or by inventing new party tests. new party tests

The Republican party has never declared for the free coinage of silver unless when the old conditions could be restored. When they can be we shall all be a unit for it. You gentlemen have no authority to attempt to hurry us beyond that safe position. When the party assembles in national convention it will indulge in no uncertain utterances. Our party declarations are always distinct and certain, and when we do make an announcement of our principles we put a condition when the relations who is in harmony

and certain, and when we do make an announcement of our principles we put a candidate upon the platform who is in harmony with our declarations. Sometimes I hear bewildered Democrats assailing the integrity of the President of the United States.

I know of no Democrat throughout the length and breadth of all the States who has been more consistent or more closely adhesive to his announcements than has the President of the United States.

[Applause.] Gentlemen pretend to say that he wavers. Not so. I remember being in this Hall in 1885, before his first inauguration, when the letter addressed to Mr. Warner was read, in whith Mr. Cleveland declaimed against the heresy of free silver and

tion, when the letter addressed to Mr. Warner was read, in which Mr. Cleveland declaimed against the heresy of free silver and warned his Democratic brethren against it.

In all of his public utterances he has adhered to the same position, and even in the early part of 1892, before your national convention, he told you again how he stood, reiterating for the fifth time his position upon this question. He has not varied an iots

from it; and while, in the State where I lived the Democratic party insisted that their platform was to be interpreted as a freesilver platform; yet you selected this man whose views you knew— who you knew would not carry out that interpretation, except upon the hypothesis that he was to become as a partisan, perjured and dishonored.

And dishonored.

You pretend now that you have been deceived; you pretend now that you are surprised at the views he has expressed. [Applause.] He has on this question been consistent. He has always told you that he was of the Wall-street school. You knew he was. But you took him as your candidate, knowing he would receive the support of this class in the East; then you gave a free-silver-coinage interpretation to your platform in the West. This duplicity gave you success. Now you Western Democrats hold up your hands in horror and denounce the President for having betrayed his party. Betrayed his party! He is the one man who has been consistent.

[Here the hammer fell].

[Here the hammer fell].

Coin Redemption Fund.

SPEECH

HON. URIEL S. HALL,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, February 8, 1896.

The House being in Committee of the Whole on the state of the Union, and awing under consideration the bill (H. R. 2004) to maintain and protect the cin redemption fund, and to authorize the issue of certificates of indebtedens to meet temporary deficiencies of the revenue—

Mr. HALL said:

Mr. CHAIRMAN: I have been informed for the first time in the last few minutes by the speech of the gentleman who has just taken his seat that I was expected to follow him and to answer his arguments and that I was selected (he does not say by whom) to reply to him. I can say that I have not the honor of knowing the gentleman, and did not even know him as a member of the House until his most excellent address was delivered. But I wish to add that the few remarks I had intended to make were on a diffor and that the few remarks I had intended to make were on a dif-ferent line and branch of the subject from the one he discussed, but I shall for a few moments ask the attention of this House to a portion of the remarks of the gentleman.

I think it entirely meet and proper that any argument in favor

of 16 to 1 free and unlimited coinage of silver should be answered by a Democrat from west of the Mississippi River, and from a

rural district.

I ask the attention of the gentleman to his own chart, Chart E. This is a chart giving the price of silver from 1792 to 1894. I presume, of course, that the speech of the gentleman is germane to the motion before the House, upon which he is speaking, that is, the motion of the gentleman from Maine [Mr. DINGLEY], the chairman of the Committee on Ways and Means, "that the House nonconcur in the Senate substitute."

Now, the first section of that Senate substitute is as follows: That from and after the passage of this act the mints of the United States shall be open to the coinage of silver, and there shall be coined dollars of the weight of 4004 grains troy, of standard silver, nine-tenths fine, as provided by the act of January, 1837, and upon the same terms and subject to the limitations and provisions of law regulating the coinage and legal-tender quality of gold; and whenever the said coins herein provided for shall be received into the Treasury, certificates may be issued therefor in the manner now provided by law.

I now ask the attention of the committee and the gentleman from Minnesota who has just concluded his remarks to his own Chart E; also, to the first section of the bill I have just read, to which his remarks have been addressed. This substitute provides for the free and unlimited coinage of silver by the United States, alone, at the ratio of 16 to 1 of gold, or 412½ grains of standard silver or 371½ grains of pure silver in a dollar.

About the year 1873, according to the lines on his own Chart E, the silver line starts down from 16 to 1 until it reaches the ratio of 34 to 1; i. e., from the point where 16 ounces of silver purchased as much as 1 ounce of gold until it reaches the point where

chased as much as I ounce of gold until it reaches the point where

chased as much as 1 ounce of gold until it reaches the point where it takes 34 ounces of silver to purchase as much as 1 ounce of gold. What, according to his own admissions, was the cause of this unprecedented decline in silver? He admits, and history bears him out in the statement, that from 1871 to 1893, both inclusive, eleven of the greatest silver-using countries of the world (not including the United States) closed their mints to the free coinage of silver. I maintain that this action by these eleven countries, coupled with the increased production, was the sole cause of this decline in the price of silver, as shown by his Chart E, and all of this entirely independently of the action of this country.

Why?

First. Because as long as these eleven great countries had their mints open to the free and unlimited coinage of silver a great demand for that metal for mintage purposes existed, consuming, as they did, millions and tens of millions of dollars every year of that metal, and of course we all admit that this great demand

second. For fifteen years prior to 1873 the average output of silver from all the mines of the world did not average more than \$50,000,000 annually, while under even the decreasing demand for silver after 1873 the supply has increased until in the last fiscal year it has reached the enormous sum of over \$200,000,000.

We see by these two statements the two great elements of decreasing prices, to wit, decreased der and and increased supply.

It will be noticed that up to this time I have not considered the action of our own country, but have shown that causes entirely outside of any action of ours was the sole cause of the decline in

the price of silver.

But someone unacquainted with the facts may think that the United States used so much silver, and thereby made such a great United States used so much silver, and thereby made such a great demand for that metal for our own money purposes; that when we stopped its coinage in 1873, silver went down in price solely on account of closing our mints. The average total amount of silver coined by the United States each year for ten years prior to 1873 was less than \$1,000,000—less than one-fiftieth of the entire output. But for twenty-two years after 1873 we have used for money purposes in this country over \$22,000,000 of silver a year, or a total of over \$330,000,000 worth of silver.

In the light of all of the foregoing admitted facts, how can any

In the light of all of the foregoing admitted facts, how can anyone call a vote for this bill a vote for bimetallism? It is trying to have our country, single and alone, restore the price of what eleven other great nations and a quadruple increase in production have brought down. It is asking us to set aside all laws of trade, commerce, and business experience, and to perform the impossible.

It thus appears clearly to anyone seeking the truth that a vote

for this bill means a vote for silver monometallism pure and simple, and therefore a vote directly against bimetallism. How any bimetallist can vote for such a bill is to me incomprehensible.

You can not dodge the conclusion. No amount of sophistry can lead you out of it. Will you vote to Mexicanize this country? Will you vote for silver monometallism? If so, vote for this Senate substitute. [Applause.]

Mr. TOWNE. I will say to the gentleman that, as I am excession.

sively weary, if he has completed his question, I will answer it. If not, I must leave the Hall of the House for a moment, and he must

allow me to answer after I return.

Mr. HALL. I think my question is complete.

Mr. TOWNE. If it is complete I will answer it. Mr. Chairman, if the gentleman did me the honor to follow the course of myremarks, he can not have missed the point that the total effect of the demonetization of silver by the nations that he has named was not immediately appreciable. It has been only by successive steps that the injury was wrought. The fall of silver began about 1873 or thereabouts, when several of these nations to which he has referred demonetized silver by closing their mints to its unlimited coinage and by denying to it some of the functions of ultimate money, that is, legal tender. Now, at that time the combined power of the distinctively interchanging nations, so far as the maintenance of the parity is concerned, the Latin Union and Germany together, did not bear a proportion to the capacity of the world as a total as great as the corresponding capacity of the United States of America to-day does to the same capacity of the world for the maintenance of any money upon its own terms. [Applause.]
Mr. WILLIAMS. It is not the number of mints, but the char-

acter and importance of them which is to be considered.

Mr. TOWNE. Furthermore, I claim it is a begging of the question to say that some of these nations might not have stayed the fall had they not all got stampeded about the same time and fallen into the procession. It is a begging of the question. Furthermore, I would say as a final answer to the gentleman—for I can not talk all afternoon—I am disposed to concede that the action of the United States alone is attended with some possibility of a resulting premium upon gold. A concert of action by France, Germany, and the United States would, in my judgment, make possible the maintenance of an absolute parity, but I say this, possible the maintenance of an absolute parity, but I say this, reckoned by the only money which the world possesses, namely, the price of commodities, gold to-day in the United States and the world is at a premium of 50 per cent, and I propose for one to end that premium. [Applause.] I would rather have a nominal premium upon gold, that might possibly result from independent action upon our part, than the 50 per cent premium now existing, reckoned in the enterprise and sweat and sinew of the manhood of the United States. [Applause.]

Mr. HALL. When the gentleman uses the expression, "I am disposed to concede that the action of the United States alone is attended with some possibility of a resulting premium upon gold."

attended with some possibility of a resulting premium upon gold," he gives his whole case away and puts himself down a pure, un-

adulterated silver monometallist, as every business man in this

country knows.

Now, Mr. Chairman, I suppose that everyone in this audience. my 16 to 1 friends and the others, will recognize the ingenuity of that answer, and will recognize in the same answer that the gentleman does not pretend to deny that the United States singentleman does not pretend to deny that the United States single handed and alone can not bring silver back to where it was in 1878. [Applause.] He admits it, and then acts the wise part and leaves the room. Now, there are but two propositions for us to meet here upon the argument that he makes. You vote for the first section of this Senate substitute, and by so doing you vote for the United States going to a single silver standard, Mexican interest our Government. izing our Government, or you have to take the position that the United States single handed and alone can undo what 13 nations combined and a quadrupled output succeeded in doing in the past. You have got to take the position that one man can bring a log back from across the stream that it took the combined strength of 13 men to carry there in the first place.

Now, as for the gentleman's adroit admission of the forcing of gold to a premium, I want the members of this committee and the country to understand what it means. It means the United States going to a single silver standard at once. When that fol-lows, what results? With all of the gentleman's kindergarten object lesson, let us strip this question to the one sole proposition and take his last admission, that it will drive gold to a premium in the United States, which means that the United States will at once sink to a single silver standard. It means 16 to 1 as the medium of exchange and the standard of value in the United States and not the present 100 cents of gold. What becomes of it?

I have a report here—volume 1 of the Report of the Comptroller

of the Currency for 1895—that shows a wonderful state of facts. It shows that in 87 cities of the United States where clearing houses exist the clearings for one year were over \$51,000,000,000. Only 87 cities were included, and in those 87 cities not more than half the banks are in the clearing houses. A carefully compiled estimate puts the amount of credit circulation in the United States at the enormous sum of \$150,000,000,000 during that period. What does it mean? We talk about per capita circulation. What do you mean? There is not a political economist—and I am here to defy refutation of this statement upon the floor of this House—I maintain there is not a political economist among all the men who have spent their lives in the study of economic questions who ever has written, nor any business man who has expressed himself, that does not lay down the proposition that credit circulation performs every office and function the same as the dollar in

Mr. WILLIAMS. Cite one authority.
Mr. HALL. John Stuart Mill, one of the best that ever wrote.

Mr. HALL. John Stuart Mill, one of the best that of Mr. WILLIAMS. Cite the page and the paragraph.

Mr. HALL. I can give you the exact expression of John Stuart Mill. I am aiming to give his exact language. I can at least give it to you in substance:

For credit, though it is not productive power, is purchasing power, and a person who, having credit, avalls himself of it in the purchase of goods creates just as much demand for the goods and tends quite as much to raise their price as if he made an equal amount of purchases with ready money. Volume 1, Book III, chapter 11, section 3.

Mr. WILLIAMS. As a medium of exchange. He nowhere says

as a standard of value.

Mr. HALL. I am discussing the all-important question of the effect of credit upon prices, and am trying to show so clearly that no one can deny that the contracting of credit is a thousand times worse than contracting the volume of money.
Mill further says, fourth edition, volume 1, page 70:

Credit which is used to purchase commodities affects prices in the same manner as money.

Money and credit are thus exactly on a par in their affects on prices.

Again, on page 327:

In any state of commerce in which much credit is habitually given general prices at any moment depend much more upon the state of credit than upon the quantity of money.

Mr. HALL. Francis A. Walker and others. There is not a writer who has ever written what the credit function performs but says the same thing-that \$1 in credit is equal to \$1 in actual

Now they talk about the circulation being \$22 per capita. Mr. OGDEN. Will the gentleman allow me to ask him a ques-

Mr. HALL. I will.
Mr. OGDEN. What is the cause of panics, then?
Mr. HALL. I will tell you what it is. Panics are caused in the first place by overspeculation, which soon impairs confidence or credit and this brings about a contraction. Of what? Of the circulation? Yes, sir. And what is the circulation? It is 98 per cent credit, referred to above, and 2 per cent money; and when you contract the credit function you contract 98 per cent of the circulation; and when you contract the money, you contract 2 per circulation; and when you contract the money, you contract 2 per

cent. [Applause.] Just the same as was done in 1893. Do not you know you could not take a Government 4 per cent bond and go into any bank of the United States and borrow 50 cents on the dollar upon it? Why? Because credit was gone? That was the reason. There was as much money in the United States as ever, but the downers contraction of any credit wednesd the penice. reason. There was as much money in the United States as ever, but the immense contraction of our credit produced the panic.

Mr. OGDEN. Were not the silver certificates at that time at a

premium:
Mr. HALL. Currency of all kinds in New York was at a promium then. That was the evidence shown before the Committee on Banking and Currency of the last House.
Mr. UNDERWOOD. Will the gentleman allow me to ask him

a question, for information?
Mr. HALL. Yes.

Mr. UNDERWOOD. Is it not a fact that the credit on which you say a great proportion of the business of the country is done is based on the solvent money of the country, and if that money contracts the credit contracts?

Mr. HALL. I am unable to understand what is meant by sol-

ent money.

Mr. UNDERWOOD, Is not money based on a standard?

Mr. HALL. No, but money is a standard itself. Mr. UNDERWOOD. Then, if that money is contracted, does

not that contract the amount of credit?

Mr. HALL. Yes, it contracts one-thirtieth of 1 per cent. contract the volume of credit circulation throughout the United States 1 per cent and you contract it 30 times as much as the entire circulation of every dollar of silver in the United States.

Mr. SWANSON. Will the gentleman allow me to ask him a

I do not like to have the thread of my argument

interfered with.
Mr. SWANSON. Mr. SWANSON. I just simply want to ask you one question. The CHAIRMAN. The gentleman from Missouri declines to

Mr. SWANSON. If it interferes with the gentleman I will not

persist, but I simply wanted to ask him one question.

The CHAIRMAN. The gentleman declines to yield

Mr. HALL. I dislike to refuse to answer a question of the gentleman from Virginia [Mr. Swanson]; but I will say this, not speaking to him, that if I have to yield for the information of every 16-to-1 man on this floor, my time will be extended to Sun-

day at noon. [Laughter.]

I do not know that I gathered the idea of the gentleman from Minnesota clearly on this proposition; but I take it that he was on the same tack as my friend Mr. Bland, when I had a joint discussion with him in Missouri last summer; and this was his consistent. position. He says that we have an instance in history where France kept up the price of silver, from 1806 to 1872, and he cites the instance of the Latin Union, and says the United States is now in the same position that France was in 1806. Let us see the analogy. In 1806 every government on the face of the earth, every civilized government, had its mints open to the free coinage of

Now, there is not a civilized nation of the world of the first commercial standing, or the second, that has its mints open to the free and unlimited coinage of silver. That is the first analogy. In 1806 the amount of silver produced was, if I remember rightly, less than \$38,000,000 a year, and now it is \$214,000,000 yearly. In 1806 every nation was helping the Government of France to carry forward silver at a ratio of 15½ to 1. To-day there is not a single nation helping us. Where is there any similarity between our condition now and the condition of France then? This will show to what desperate extremities our 16 to 1 friends are driven to find excuse, example, and precedent for this inexcusable, unexampled,

excuse, example, and precedent for this inexcusable, unexampled, and unprecedented agitation in favor of the United States attempting to set aside and defy all the laws of commerce and trade, and we at the same time trying to continue a great commercial nation. One hundred and fifty billion dollars is the amount of credit circulation in the United States. Shake the confidence of the moneyed class as to what kind of money they will be repaid in, frighten this credit, and what will follow? You will have a contraction in the volume of circulation, which is the credit part, and is a mountain as compared to the molehill of cash money. Every writer, as I have shown, says this credit circulation performs every function of money, and nobody will pretend to attack that proposition who is any way familiar with the authors on that subject. Now, what have we in the United States to-day? An agitation

Now, what have we in the United States to-day? An agitation. An agitation for what? An agitation by which men who had deposited their money in the 13,000 banks—the 9,000,000 of bank depositors in the United States, who have deposited over a billion dollars; these banks are threatened that their deposits will be paid nonsis; these banks are threatened that their deposits will be paid in money worth 50 or 52 cants on the dollar in gold, when they know that at the time they made these deposits they were worth 100 cents in gold. If that agitation should succeed, what would be the effect? What would be the effect on your home bank? The effect would be that the bank would at once say: "Here, we will draw in every loan that we have out, and we will not

we will draw in every loan that we have out, and we will not only do that, but we will get every dollar that we can lay our hands on and put it into the bank and keep it there."

If you asked why they did that, they would say, "We dread a run by these 9,000,000 depositors; if we do not have the money, the bank goes to the wall and the financial crisis will be intensified and increased." The banks therefore are hoarding their proper. If the money, while the depositors are demanding their money. If the bank can not pay, it goes down. There you have at once a con-traction of the circulation to the extent of every dollar of that money; but, worse than that, a repetition of what we saw in 1893, a contraction of the one hundred and fifty-six billions of credit currency or circulation which performs every office and function

of money itself.

Mr. Chairman, we have a pendulum-like condition in the United States, an agitation by the extreme 16-to-1 silver men on one side, causing financial distress in the money market, a threatening of credit, national, State, municipal, corporate, and individual, and then falls on the other side a rush upon the gold reserve, followed by a bond issue. We have \$262,000,000 of bonds issued now, and I have been informed by a gentleman in the Treasury Department that it may reach a thousand millions within the next eighteen months if the present processes and conditions are to continue. Here then we have \$262,000,000 withdrawn from railroads, withdrawn from stocks and bonds, withdrawn from farm-supply investments, withdrawn from factories, withdrawn from all the enterprises that give labor employment and give food and clothing to the wives and children of laboring men, and put into bonds that pay no tax, national, county, State, or municipal, and the iswhich may reach a thousand million dollars within the

next eighteen months.

Now, gentlemen, I will tell you what I set out to say. I did not intend to answer any argument made by the gentleman from Minnesota, because I did not know which side he was on; but I was going to say that Senator STEWART stated in his remarks on this subject that this was a dress-parade business solely; that the vote on this bill was for home consumption. If that is the case, I want to be reckoned on the side of the Jeffersonian, Jacksonian, sound-money Democracy under all existing circumstances. [Applause

And that is not all. If I were called on to-day, as I was called on some time ago before the annual meeting of the State Teachers' Institute of my State, to state what I regarded as the greatest crime, threatening and impairing our credit, American institu-tions, national and individual, and keeping us on the verge of a panic, I should reply in one sentence, "The cowardice of our poli-ticians, of the public men, who have not the courage, the manhood, the grit, to go before the people and tell them when they are wrong upon these great economic questions." I am credibly informed that there are eight Senators at the other end of this Capitol who voted for this bill, yet who say that they believe the free and unlimited coinage of silver at 16 to 1 would mean national bank-

ruptcy and ruin.
Mr. Chairman, in our form of government, where the majority of the people are the controlling power, the perpetuity of our great and free institutions depends upon the great mass of the cople understanding the great basic principles of sound economy and finance. How are they to get this understanding? They have not the time amid the busy rush for a living for themselves and their families to take time from the farms, mills, workshops, offices, and counting rooms to delve into the intricate questions of national economy, international trade, and those intricate laws that govern them.

To whom can they turn for information? Not to the politicians. For I am ashamed to admit that the greed for public office makes cowards of otherwise good men. And while we may frequently see a good man resolving to "cease being a demagogue and become a statesman," yet "this native hue of resolution soon becomes sicklied o'er by the pale cast of thought" as to how he can be recleated. be reelected.

What does it mean? It means that our politicians have concluded to hold themselves in office, national, State, or county, by letting a great number of men who have not the time to delve into these questions turn their backs upon their own welfare, and they are willing to close their hearts to all gratitude for past favors and tell those men that what really leads to their destructo their destruction leads but to prosperity and happiness, and these voters are too frequently controlled by the ranting of Populist demagogues when a firm denunciation of these heresies would prevent it.

I know, Mr. Chairman, that this is not going to make me popular with this class of men and that I shall be roundly denounced

for these utterances.

I only wish someone else had undertaken this unpleasant duty.

But as no one else has, I will.

For instance, I know that it is regarded as political death for a Democrat in a rural district west of the Mississippi not to throw up his hat and applaud these delusions, but if my people want a

man of that kind to represent them they can get rid of me and I

will willingly and gladly retire to private life.

Mr. TALBERT. Did not the gentleman vote for the free-coinage bill in 1893? I ask the question for information.

The gentleman from South Carolina asks if I did not vote for the free-coinage bill in the extra session of Congress in 1893. I answer yes. I will further admit that my vote then and my vote now are not consistent, or that I can be charged with that "hobgoblin of feeble minds" called inconsistency. But I tell the gentleman, also, that I have progressed since that time, while he is standing right where I was three years ago. [Laughter.]
Mr. TALBERT. And I shall stay there on that question.

Mr. HALL. The gentleman's question brings up the subject of that miserable fallacy, so-called "consistency." Let us see what there is in that.

Mr. LAYTON. I wish to ask the gentleman a question. I understood him to make the extraordinary statement a few mo-ments ago that he had been informed that eight Senators who had voted for this bill had said that they believed the free coinage of silver would lead to the bankruptey and destruction of this country. I ask the gentleman, "Do you believe that any Senator ever

Mr. HALL. I told you that I was credibly informed that they had said it, and I believed it, or I would not have stated it here.

Mr. LAYTON. Yes, you used the words "credibly informed," but I desire this House to know now whether you really believe that eight Senators, or that one Senator, ever made such a statement.

Mr. HALL. I believe that eight of them did. [Laughter.] If I did not believe that I would not have made the statement here. Mr. Chairman, I refuse to retract one jot or tittle of what I have just said. I cited that case as an illustration, a great national condition, of the cowardice of our politicians, and I want it understood that what I have said is to stand without revocation. But now, on the question suggested by my friend from South Carolina, the question of consistency, I want to say a word. The gentleman seems to make the point that I voted differently in 1893

from my present position.

Mr. TALBERT. I merely asked the question for information.
I had forgotten how the gentleman stood at that time, and I asked the question for information, and not to "rattle" the gentleman

Mr. HALL. It does not "rattle" me at all, and I will tell you why.
Mr. TALBERT. I would like to hear.
The reas

Mr. HALL. I will tell you. The reason it does not rattle me one bit is because I find, upon investigation in the Bureau of Education, that the Chinese, the inhabitants of the Indies, and the tribes of Africa are the only human beings that are continually consistent. [Laughter.] The lower grades of animals also are always consistent. [Laughter.] I maintain that reasoning, thoughtful, clear-headed men, who pass through the world with their minds open to the investigations of truth, are ever liable to

What is progress but change? Where is the intelligent man in the United States who has not a high regard for the fame of William E. Gladstone, the great Eng lish statesman. His legislative life was one of constant change, and therefore progress.

Observe the course of Bismarck, the greatest of German states men. When he was advocating the sale of the silver of Germany for whatever price could be obtained for it and was approached by one of his friends, who said, "I am just where you were ten years ago," the reply was: "That was the political blunder of my life, and I have had intelligence enough to profit by it and move forward.

In the history of the world there is no great movement that has not contained the germs and seeds of progress and development, and therefore of "inconsistency." I might take a case from our own legislative halls.

Mr. MERCER. The gentleman might refer to what Stephen A. Douglas said about a man who never changes his opinion.

Mr. TALBERT. According to this doctrine, we can never tell

where a man stands. Mr. HALL. We can always tell, Mr. Chairman, how certain animals stand, and how the Chinese stand, because they adopt the doctrine of Confucius, that the greatest crime which a Chinaman can commit is attempting to do a thing differently from the way his ancestors did it a thousand years before.

But let us take legislative proceedings; take matters of parlia-mentary law. My friend from Georgia has had occasion on this floor to cite a case where our present Speaker varied from the position which he now occupies upon the question of counting a quorum. Certainly Mr. REED of Maine held at the time the view attributed to him; but further investigation showed him that he was wrong; and when he found he was wrong what did he do? [Here the hammer fell.]

Mr. TALBERT. I ask that the gentleman be allowed time to conclude his remarks

There was no objection.

Mr. HALL. Mr. Chairman, I was about to speak of Mr. REED's lack of "consistency." That gentleman is quoted by our worthy leader on this side of the House, Judge Crist—I mean our Worthy leader on the side of the House, Judge Crist—I mean our Manghagal.

leader on all questions except money. [Laughter.]
Once when the question rose in this House as to the right of
the Speaker to counta quorum, Mr. Reed, then a member, thought
that such power did not exist. But investigation of the matter
subsequently opened his eyes upon that question. What is the
result? He changed his position upon that great rule of parliamentary law and wrote himself down what history, after partisan prejudice and passion shall have passed away, will justify as one of the greatest pioneers in parliamentary law that ever lived. [Applause.] That was a violation of "consistency." I never in any public utterance condemned Mr. REED for the position he took on that question, and I never intend to do so, for he was, in the property of the property in the property of the property is the property of the property is presented by the property is presented by the property of the presented by the property of the property is presented by the property of the presented by the presented by the property of the presented by the pr

my judgment, absolutely correct.

I observed a remark of my friend from Georgia this morning to the effect that in voting for this first section of the Senate amendment he was standing upon the Democratic platform adopted at Chicago in 1892. I know that I am talking to a body of men who know that platform by heart; and I defy any one of them to produce one section of that platform that warrants a vote by any Democrat for the first section of this Senate substitute.

You can not find any such provision in the Chicago platform of 1892. You will find in that platform of the Democratic national convention a declaration that one dollar should be made as good as another in the United States and the world over. will find in the platform of one national convention a doctrine cor-responding exactly with the first section of that Senate resolution. I refer to the national platform of the Populist party, announced at Omaha July 4, 1892. That is the only political platform in the United States that has ever laid down such a doctrine as that embodied in this Senate resolution.

Mr. Chairman, I will tell you the class of people to whom, in my judgment, legislators should most look in legislating upon the money question—the people who find it hardest to get money and those who are most affected and distressed by a failure to have an adequate circulation. Those people are the great farming and laboring classes of this country.

Sir, the gentleman from Minnesota [Mr. Towne], who spoke just before me, said that the money of the country is like the lifeblood. That is correct; but he should have added that credit or confidence is like the heart that drives that lifeblood to the uttermost extremities of the body. There is the rest of the analogy; but the gentleman stops short. What part of the body begins to get cold first when the lifeblood is withdrawn by the lack of the pumping power of that heart, which answers to confidence in monetary affairs? It is the extremities of the body; the fingers and the toes begin to get cold on the approach of death or from any retardation of the circulation.

How do we sometimes resuscitate a person in this condition? By starting the action of that great engine that drives again the lifeblood to the extremities of the body. That is what is neces-

What are these men battling for? What is this Senate bill intended to accomplish? Its advocates come forward battling for one-thirtieth of I per cent of the circulation of the United States,

and proposing to cut down the other 99.99 per cent of circulation which is manifested in confidence and credit.

Mr. Chairman, I did not for many reasons intend to make an address on this subject further than to put myself on record as the one Democrat from a rural district west of the Mississippi in a purely agricultural region that dares stand up and say that sound money is the salvation of the agricultural and laboring places of this Government I regreted to the record in classes of this Government. I wanted to put myself on record in that way because Mr. Stewart has said that this is a "dress parade" affair, and that noses will be counted. I understand full well that the action of the National Bimetallic League has put

my district on the black list.

I understand, Mr. Chairman, situated as I am, with both of my Senators on the opposite side of the question, my entire State and all my speaking colleagues, on the Democratic side, on the other side of the question, that leaves me standing alone practically, and with a hard row to hoe. But whether I appear in the Fifty-fifth Congress or not, I expect to battle for what I believe to be the best interests of my people; to give them a sound money, and as far as I can, within my district and in my own State, I will aid the sound-money leaders of my State in their efforts in that direction. And if in that effort I shall go down to defeat, I will go with my own self-respect, and I trust with the respect and confidence of my friends, who will be able to appreciate the fact that I was not too cowardly to tell my people what I believed to be right when their judgment was entirely the other way. I thank the House for its courtesy. [Applause.]

Mr. COX. Now, in view of the fact that our associations have always been so pleasant, in view of the fact that we have acted together and worked for free silver, I hope the gentleman from Missouri does not mean to say that any of his friends who happen

to differ with him on this question, or who have not advanced as far as he has, are a set of cowards or have no respect for facts?

Mr. HALL. I will say simply this, that I had no reference to my friend from Tennessee. I do not believe the shoe fits him, and I do not want any man to wear it unless it does fit him. I never worked on the Coinage Committee with my friend, but did work with him on the Committee of Banking and Currency, where our relations were always pleasant, and the work on his part was able and conscientious.

Mr. COX. There is one more question. Do you not think it fair when you change your course you should have said some kind words to the associate with whom you had been connected for so

Mr. HALL. I can only say God bless you, and I hope you are going to open your heart and eyes and get right upon this question. [Prolonged applause.]

Senate Substitute for the House Bond Bill.

REMARKS

HON. THOMAS J. STRAIT.

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue.

Mr. STRAIT said:

Mr. SPEAKER: It is said that in the multitude of council there

Mr. Speaker: It is said that in the multitude of council there is safety, but it is difficult to realize the truthfulness of this after beholding the scenes that are enacted in the assembly of this great nation year after year. When we see reason dethroned by party feeling, in order to keep up party organization, at the expense of suffering millions, we are amazed.

How often have we heard it stated on the floor of this House that "all is right"; that as soon as confidence is restored everything will be prosperous. This old statement has been used until it is threadbare. For years it has fooled the people, and has been used purposely to fool them. Instead of prosperity, what do we have? There are nothing butmurmurings, as of distant thunder, coming from every quarter and from every class except one or coming from every quarter and from every class except one or two. Instead of the prophesied prosperity there is an increase of failures, with increased liabilities, and a tendency to concentrate all kinds of business into corporations; the smaller merchants swal-lowed up and closed out; thousands of small farms passing into the hands of land-loan and trust corporations at about one-third of their cost, and their real owners thrown upon the world to fight the bitter battles of life without a penny to help in the strug-gle; patriotic men and women reduced to penury and practical serfdom, and patriotic principles struck down. The lords realize the fact that men without homes are more easily managed and controlled and subservient to their masters.

Add to this impoverishment of the agricultural classes of this supposedly great country, Mr. Speaker, a picture of thousands of idle factories and millions of tramping men hunting bread for themselves and starving wives and children, and we see to what pass the situation has come by the inaction of these "all is right" statesmen. There are a thousand other things which could be said to show the deplorable condition to which the agricultural and laboring classes have been brought. There are men who sit in the halls of Congress of this country who do not want to know of these things; but the time is coming when circumstances will force them to know it. Still, we hear that nothing is wrong and that our evils are imaginary. There is undoubtedly some cause for the unrest of the people and for the terrible condition of affairs. Some attribute the cause to the lack of a protective tariff; some to too much money of the wrong kind; some to not enough money the majority to the striking down of one of the final redemption metals, thereby making it simply a commodity and increasing the pass the situation has come by the inaction of these "all is right" metals, thereby making it simply a commodity and increasing the work of the remaining metal to double its capacity. The latter class is right in believing that the enormous demand for gold by the nations of the world to establish a gold standard has doubled its value compared to other products.

This argument has been made too often to again go over, but when the low price of the resolvers of the country is met with the

when the low price of the products of the country is met with the cry of overproduction it is enough to make one sick. When an enormous increase in population is compared to the alleged in-

crease of products, no man can see anything sensible in all this cry of overproduction. It comes from the same people who are constantly feeding the country on the "all is right" stuff. There might be an underconsumption instead of an overproduction, because the result there are thousands of real leads: cause there are thousands of people lacking the necessaries of life. I would like to ask the members of this House if they are not aware of thousands of people who are in need of bread? How many humble homes in the cities and towns of this beautiful country and how many farms have gone to rack because of a lack of money? What causes the desolation which pervades particularly the rural districts of the country?

larly the rural districts of the country?

Mr. Speaker, after the civil war, when the South had been crushed, overpowered by numbers, our people, with no resources but the land and with what little greenbacks they could get, started life anew. They made marvelous progress with this muchabused money, and not only lived but prospered—prospered as no other people ever did in the history of the world—nutil this money was curtailed and silver was stricken down by treachery and rascality. The debts of the country have been doubled and the capacity to pay them diminished accordingly, bringing untold misery upon the people.

Now, Mr. Speaker, to revert to the overproduction theory and myth. In 1873, when this rascality commenced and the people were robbed of their constitutional rights and plunged into pauperism, there was as much land as there is now. I hope my

pauperism, there was as much land as there is now. I hope my gold-bug friends will not charge that there has been an overproduction of land, although it would be compatible with their position on all other matters for them to do so. Well, there was as much land then as now. The population of the country has almost doubled, but have the prices of the lands increased? Instead of doing so, they are hardly half of what they were then. Have the or doing so, they are nardly half of what they were then. Have the prices of the products of the lands increased? I have no doubt but what some of the able overproduction dodgers can answer these questions to suit themselves and the money power, but will they be able to answer them to suit the farmers, who know better about these facts than all the moneyed men of the country put together? I am a plain man, representing a plain and honest people, and I say here that there may be an overproduction due to a waterconsumption because of thousands of storying neonless.

to an underconsumption, because of thousands of starving people, but to the mind of the plain people of the country the trouble is due to an underproduction of money.

As to the issues of bonds before this, Mr. Speaker, I say that the shadows of suspicion cast upon our rulers for their connection therewith are humiliating to this great nation. There is humiliation enough to cause this representative body to stand with bowed heads. It is a sad spectacle when an already dissatisfied people come to believe their rulers dishonest and incompetent and working against them in behalf of money sharks and syndicates and corporations. The latest newspaper stories that a certain syndicate received a tip just before the opening of the bids for the last bonds, or, in other words, was let into the secrets of the transaction, is enough to cause every patriotic citizen of the United States to shudder at the prospects of the evil consequences which will follow such suspicion. The people of the country are ready and willing to believe whatever they hear and read. The course of

willing to believe whatever they hear and read. The course of certain officials of the country has been such as to strengthen the suspicious natures of an overburdened people.

There is no doubt that the people have been outraged, and the question has become so important and the solution fraught with consequences so far-reaching that it is the duty of every member of this House to speak out boldly upon it and let the nation know where they stand and why they stand where they do. It has been asserted that this question is threadbare, but no unsolved problem of such importance to a nation can possibly be threadbare. Weeks and months might be spent in its discussion, but still there would be many good reasons for the passage of this substitute. It is not necessary for me to enter into the subject in all of its bearings and give reasons why I say it should be passed. Reasons enough have already been given, and I shall content myself with presenting what I conceive to be one of the most important and alarming ing what I conceive to be one of the most important and alarming features of the situation. It is admitted by those who uphold the present policy of this Government that we can not maintain a single gold standard under existing conditions without continuous issues of boards. issues of bonds.

These bonds must, to a large extent, be sold abroad for gold to be brought here in place of the gold lost by export. They contend be brought here in place of the gold lost by export. They contend that the legal-tender currency is redeemable in gold when there is a law for the retiring of such currency, and that this forms an endless chain for the withdrawal of gold from the Treasury for export; that should Congress consent to the retirement of all legal-tender currency the gold exports would stop. That proposition I deny, and believe it can be shown to be a fallacy. International monetary conditions have changed since the adoption of the single gold standard by foreign nations, and it is a part of true statesmanship to recognize the changes and meet them as they present themselves. No man can deny that when the great nations of the world discarded silver and adopted the single gold

standard there began an international scramble for gold. ous to that time some of the nations had aspired to be agricultural, some manufacturing, and some commercial. Since then the first object of each has necessarily been the acquisition of gold. Being a common and international scramble, the gold price of all commodities in these countries must be so nearly the same that they

modities in these countries must be so nearly the same that they could not be exported without loss, otherwise the country importing them would lose gold.

Now, we practically have a single gold standard in this country, but the general level of prices of labor and commodities is higher here than in other gold-standard countries. While that condition continues to exist the export of gold will not cease. There is absolutely no way to avoid it. This is the true reason for our present loss of gold by export. Our legal-tender currency simply forms a convenient method of collecting gold. If it were retired some other means would be employed for obtaining gold, which, like every other commodity, would seek the highest market. Our effort to maintain the present level of prices in this country, and at the same time perpetuate the single gold standard by issuing bonds, is like pouring water through a seive.

Now, Mr. Speaker, we can not maintain a gold standard and

Now, Mr. Speaker, we can not maintain a gold standard and the present level of prices. One or the other must yield to the inflexible law. The only way on earth to maintain a gold standard is to buy the gold and pay for it. Then we can keep it, but so long as we buy it on credit it will leave us faster than it came. To purchase it and pay for it we must reduce the general level of prices for all labor and commodities in this country to a lower point than in the pauper-ridden, effete monarchies of the Old World. Can we afford to do that? Let it be attempted and continued and no man can predict the dire results that will follow. Let no man deceive himself. The perpetuation of the gold standard means the reduction of free and enlightened Americans to a with the ignorant, half-starved, menial classes of the Old World who have been trained to privation from infancy to the grave. If you elect to bring this condition of affairs upon the people of this country you had best vote to close our public schools, stop all donations to arts and sciences, and establish petty despots in every county, backed by a standing army, to compel proud Americans to work sixteen hours a day on half rations and to What for? Simply to enable us to maintain a lowe wear rags. level of prices than those that prevail abroad and please Wall street plutocrats.

If you want to reduce our farmers and laborers to serfdom and add millions more to the hoarded wealth of our present millionaires you can easily do so by the plan I have mentioned. Then our gold will stay with us. We may be able to import some. In this way we can win in this scramble for gold, but God forbid! Let us pause and consider before we plunge this free and beautiful land into revolution and ruin.

Now, gentlemen, the passage of this bill will, in my opinion, end all of these troubles. The Goddess of Prosperity is smiling upon us with bountiful harvests, and is knocking at our door, ready to enter and spread joy in every State. It is our duty to our constituents and posterity to pass this bill and bid her enter this glorious land of ours and make it her permanent abiding

Free Silver, Not Bonds.

SPEECH

HON. THOMAS C. MCRAE,

OF ARKANSAS,

IN THE HOUSE OF REPRESENTATIVES.

Thursday, February 6, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. McRAE said:
Mr. Chairman: I am opposed to the bond bill passed by the House, I would not under any circumstances vote for the sale of bonds to purchase gold. I favor and will support the substitute of the Senate, which provides for the free coinage of silver at the present legal ratio of 16 to 1.

The settlement from North Debote [Mr. Louveer] beauty that

The gentleman from North Dakota [Mr. Johnson] boasts that the legislation in reference to revenue, coinage, and currency from 1861 to 1893 was the work of the Republican party. I admit it, and, so far as I am authorized to speak for the Democratic party, make haste to disclaim responsibility for any part of it. I challenge the gentleman or anyone else to show a single law in all this legislation which was not dictated by organized capital and against the interest of the toiling masses. Or, if I may be allowed to express the idea in the language of the eloquent Senator from Indians, I would say that "every concession ever made by law to the greed and lawless avarice of the money power since 1861 is the work of the Republican party."

work of the Republican party."

When we remember that at the end of that period the Treasary was practically bankrupt; our foreign commerce dwindling; the was practically bankrapt; our foreign commerce dwinding; the farms incumbered with \$6,000,000,000 of mortgages; that we had \$2,000,000,000 in national and State debts, \$5,000,000,000 in railroad debts, 4,000 trusts, and a million of idle men, all the legitimate result of the general policy of the Republican party, I wonder that the gentleman would advert to it, even to remind us that wheat was worth more in 1891 than it is now.

In giving some of the reasons why I shall support the Senate amendment I must of necessity repeat to some extent what has often been said by the friends of silver. But until the character of the assaults on the part of gold monometallists is changed, our main points of defense can not vary much except in the form of

THE USES OF MONEY.

It has been said by a great political economist that real money is an order drawn by the government in favor of the owner on all persons who have things for sale. Everybody wants it, because with it they can obtain all of the things that add to their comfort

and happines

Money has three principal functions: (1) It is a medium of exchange; (2) it is a legal tender for debt; and (3) it is a standard and measure of value. Early in the history of the human race it became necessary to adopt a medium of exchange for commodities and products without which mankind, society, nor government could exist. Some parts of the earth are adapted to the cultivation of cotton, others to the production of wool; some to the raising of corn, others to wheat; some to the growth of hogs, and others to cattle; in some mountains we find precious metals, while in others we find iron and coal. There is no man who can produce one-tenth part in kind of all that he uses, and there is no government with such a diversity of interests as to be able to supply all the numerous demands of its inhabitants. They all have something to sell, and want at the same time to purchase at least

a part of what has been produced by someone else

So it is absolutely necessary to have money as a medium of exchange, and for forty centuries it has existed by consent. A large part of the commerce and business of the people must be done upon a credit, and as debts for a long or a short time must be contracted, there should be a legal basis upon which deferred payments can be adjusted and finally settled, so in all countries tenus the a legal tender or money of final payment. This function must be a legal tender or money of final payment. This function is imparted by law, and I think should attach to all forms of money issued by the Government. As an honest standard and measure of value the metal from which money is coined should be worth intrinsically or commercially what it purports to be. I believe in honest money, gold and silver, and paper convertible into coin on demand. I have always fought and now repudiate the theory of irredeemable flat money as dangerous to good government. I do not believe that the law alone by a simple declaration can fix the exchangeable value of money any more than it can fix the value of anything else.

All the acts of Congress that might be passed and all the international agreements that might be made declaring silver bullion to be worth \$1.29 an ounce, without providing for its coinage and use as money, would not increase the commodity price of it one cent. If left uncoined its value would still be controlled by the law of supply and demand, and until there is some new use found for it, or until there is some diminution in the supply, laws and international agreement would not affect the value. But, Mr. Chairman, while the law can not add value to silver bullion, it can increase the demand for it and enhance the value of it by providing for its free coinage and use as standard money. This idea will perhaps be made clearer by referring to the act of November 1, 1893, which in terms commits this Government to the use of both gold and silver as standard money, but makes no provision for coining silver. The act of Congress adds therefore nothing to the price of silver bullion, for in fact silver has been cheaper since its passage than ever before. But it will hardly be denied that if this act had carried with it a provision for free coinage, silver bullion would have advanced immediately to a par with gold.

If I did not believe that the disparity which now exists was

caused by the limited coinage of silver or rather the failure to coin it freely, I would not favor the free and unlimited coinage of it at a ratio of 16 to 1. I am as much in favor of honest money as any man can be, but I emphatically deny the false assumption of the gold monometallist that gold is the only honest money.

REAL AND CREDIT MONEY

(1) Real or metallic money is such as has real or commercial value, that which needs no redemption and is itself final payment. It cuts its way through the business world and asks no govern-

ment or bank to be responsible for it. Primarily it is a natural reader and is not the flat of human government. It is indestructment or bank to be responsible for it. Frimarily it is a natural product and is not the fiat of human government. It is indestructible, and yet the supply has never exceeded the demands of trade and commerce. (2) Credit money is all that character of government notes or bank bills which to be serviceable as money must ment notes or bank bills which to be serviceable as money must be redeemable in real money on demand. We have in the United States according to the last monthly statement of the Treasury Department in gold coin \$583,488,105; in standard silver dollars, \$423,289,629; in subsidiary silver, \$78,573,872; in United States greenback notes, \$346,661,016; in Sherman Treasury notes, \$137,-324,280; national-bank currency, \$213,496,547, besides some Treas-arry certificates. The grand total of our circulation on the 1st of this month was \$1,589,720,607. Under our present system all of this volume of credit money rests on the narrowing gold basis, and it requires no great financial ability to see that the structure is ton-heavy with promises that require frequent redemntion. To is top-heavy with promises that require frequent redemption. Is it any wonder, then, that the "wheel within a wheel" exists and that gold goes out of the Treasury faster than it comes in.

OBJECTIONS TO THE SINGLE GOLD STANDARD.

1. Gold is insufficient in quantity to answer the demands of our 1. Gold is insufficient in quantity to answer the demands of our increasing population and growing commerce. The fact that all gold-standard countries are compelled to use silver ought in itself be enough to show that there is not enough gold, but there are other facts to which I will call attention. That this Administration has purchased \$262,000,000 of it, partly foreign gold, shows how scarce it is in this country, and yet of the \$1,500,000,000 produced in the world since 1879 the United States have absorbed in their monetary system over \$600,500,000 and used in the arts nearly \$200,000,000. In other words, more than half of the output of all the mines in the world has been used in the United States, and still we are selling bonds to get more. Again, the world's production of gold since 1873 has been about \$2,500,000,000, and yet the coinage of the world for that time has been nearly \$3,000,000,000. Some of this excess is recoinage, but not near all of it. So we see that gold is so scarce that gold-using countries have been compelled to coin the jewelry and household ornaments in order to meet the urgent demands for money.

2. It is the money of large transactions and does not generally circulate, and is easily cornered and premiums on it extorted in the way of long-time interest-bearing bonds. It ought not to be hard to understand how easy it is for the banking power of the

hard to understand how easy it is for the banking power of the world, aggregating as it does \$20,000,000,000, to corner one-fifth that much gold.

3. Gold is appreciating in value, is therefore unjust to debtors, producers, and laborers. It is hardly necessary for me to spend much time to prove that prices have declined since 1873. I am aware that the advocates of the single gold standard claim that for some reason, which they do not and can not explain, gold has a fixed value and that as the gold dollar is not worth more than 100 cents, therefore, it has not increased in value. The fatal error in this assumption is in measuring it by itself. All dollars contain 100 cents, and so they would if doubled or reduced in value. Of course the gold dollar is worth 100 cents, and so is the silver dollar. It takes 100 cents to make a dollar. A fair illustration of the absurdity of this contention is furnished by a story told of a distinguished Indiana volunteer general in the late war between the States.

General Rosecrans instructed him to gauge the Tennessee River at a given place, and ascertain every hour its particular stage and the rapidity at which it was rising or falling. The Hoosier gen-eral accordingly constructed a scale of inches upon a board three feet long and nailed it to the side of a flatboat floating on the river, so that the end from which he began to number would just touch the water. The general inspected the gauge as ordered each hour during the entire day, and reported each time that the river was on a dead standstill, although the fact was, as shown by the high water marks on the trees and other natural objects, that river was on a dead standstill, although the fact was, as shown by the high water marks on the trees and other natural objects, that it had been rising during the entire day at the average rate of three inches per hour. [Laughter and applause.] There are two clocks in this Hall, and they show a difference in time of two minutes, but you can not tell which is wrong by comparing them with each other. You must test them both by the sun, the only thing by which you can measure time. And so, Mr. Chairman, you can never determine whether gold has risen or silver has fallen in value by measuring gold by gold, or silver by silver, nor the one by the other, but you should measure both by the great commodities of our country. When you do this you will find that both have changed; silver has depreciated because not coined freely, and gold has appreciated because in part it now performs the work heretofore done by both gold and silver, but silver has kept nearer on a parity with cotton and other commodities than gold. Twenty-five and eight-tenths grains of gold will now purchase more than twice as much cotton as it would in 1873; 412; grains of standard silver will purchase as much now as it would then.

In that year we exported about 1,200,000,000 pounds of cotton, for which we realized \$201,635,376. During the fiscal year ended June 30, 1805, we exported 3,517,433,109 pounds of cotton, for which we got only \$204,900,990. I do not say that the discrimina-

tion against silver is the sole cause of this decline, but I do believe that it has contributed in a great measure to it. I do not believe that it has contributed in a great measure to it. that it has contributed in a great measure to it. I do not believe the free coinage of silver would double the price of cotton, but I do think it would increase it. It would at least stop the decline in prices. The adoption of the single gold standard has reduced the price of all forms of property except gold mines and debts.

OBJECTIONS TO SILVER ANSWERED.

Now, let us consider some of the objections urged against silver by gold monometallists. They say that because prior to 1873 the United States had only

1. They say that because prior to 1873 the United States had only coined about 8,000,000 standard silver dollars this shows that the people of the United States did not want silver money. This statement is part true and part false, but is altogether misleading. What are the facts? By the acts of February 9, 1793, April 29, 1816, March 3, 1823, and June 25, 1834, the coins of Spain, Portugal, Great Britain, France, Peru, Chile, and Central America were a legal tender in the United States until 1857, and they were coined at a ratio of 15½ to 1, 3 per cent less than the United States would coin silver. So the keen sense of the careful, prudent, American miner, who dug his silver from the earth, suggested to him to take it to the foreign mints and have it coined. He got more dollars for his bullion, and as they were a legal tender here they circulated and performed all the functions of American silver maney. There is not a gentleman here over 60 years of age who pnaiey. There is not a gentleman here over 60 years of age who mw not bear me witness that Mexican dollars and 5-franc oleces were as common before the war as standard silver dollars oleces were as common before the war as standard silver dollars lire to-day. The truth is it was then as it is now, that silver was in much more common use than gold. That is why none of the standard silver dollars were coined, and it is not true that the people did not want them. That same selfishness which carried the American silver to foreign mints to be coined will prevent foreign coins from coming to ours if we adopt free coinage, because they still adhere to the old ratio of 154 to 1.

2. Is the difference in the bullion value caused by overproduction? I think not, for in 1855 the production of gold was so increased as to be four times that of silver—the change in the ratio creased as to be four times that of silver—the change in the ratio of production being about twelvefold, and yet this did not change the relative value of the two metals. From 1855 to 1873 the world doubled its silver production, and yet during that eighteen years there was scarcely any variation in the relative value or the ratio of gold and silver. The United States have produced about twice as much gold as silver. The reason why the relative value has not changed with the changes in the ratio of production is in the fact that both gold and silver were redemptice money—did not need changed with the changes in the ratio of production is in the fact that both gold and silver were redemption money—did not need to be redeemed in something else—and that it was impossible to have too much of either. For such money there is always an unlimited demand. Everybody wants it, and until you find some power that can set a limit upon human wants, avarice, and greed, there can not be too much of gold or silver. It is a striking and significant fact that wherever one of these metals is found you generally find the other near by. There appears to be some law of nature that holds them together, and we find them sleeping side in the "rock-ribbed" hills of our great West. I believe that these metals were designed by an all-wise Providence to be used by mankind as money. When the United States and Germany inaugurated the proceeding to abandon the coinage of silver, it was not cheap but was at a premium, and the world's producit was not cheap but was at a premium, and the world's production for the preceding year was \$51,575,000, while the production of gold was \$106,850,000. The average production of silver for the six years preceding 1871 was only about \$51,000,000. The excess in the production of silver over gold since 1871 is only about 10 per cent. Certainly this did not cause the 50 per cent decline in the bullion value of silver.

the bullion value of silver.

3. Wouldfreesilver Mexicanize the United States? My friend the chairman of the Committee on Coinage, Weights, and Measures, [Mr. Charles W. Stone], who preceded me, had read an article from a Government publication showing the condition of the peons and the price of labor in Mexico. I want to suggest to the gentleman, in the language of Mr. Carmack, the eloquent and able editor of the Memphis Commercial, "That the difference between this country and Mexico is that of men and not of money." I want also to say to him that if she had the single gold standard the condition in Mexico would be infinitely worse than it is. She is making more progress in building railroads and factories than at any period in her history. The true test is to compare her condition now with that of 1873.

Mr. CATCHINGS. I understand that Mexico is a silver-using country only. We all agree about that. Now, if we were to concede that Mexico is on a high tide of prosperity, which I do not concede, but if we did so, would that be an argument for bimetallism? Would it not be an argument that we should go to a silver standard? I do not see what it has to do with the bimetallic proposition.

standard? I do not see what it has to do with the bimetallic propo-

Mr. McRAE. Mexico is a silver-standard country. She is weak as a government, her people are generally poor, her commerce is small, and she has but little use for gold. Her stock of gold is less than 50 cents per capita, while she has of silver only \$4.55 per

capita. The transactions in Mexico are so small that gold is not adapted to them. It is different with us. We need gold for our capital. The transactions in Mexico are so small that gold is not adapted to them. It is different with us. We need gold for our large transactions and silver for the smaller ones, and we have business enough for all we can get of both. Mexico has not.

4. They also tell us that we will be deluged with silver. I want

some gentleman to tell me where the silver is to come from.
Mr. BOATNER. Mexico.

Mr. BOATNER. Mexico.
Mr. McRAE. Suppose we get all there is in Mexico. How much additional per capita would it give us?
Mr. BOATNER. The gentleman can make the calculation.
Mr. McRAE. Mexico has only \$55,000,000 of silver, and that would not give us \$1 per capita—not enough to buy sewing machines for our wives. [Laughter.]
Mr. BOATNER. If you argue that the unlimited coinage of silver would not cause a deluge in silver in this country and would not give us silver monometallism, will you please explain why that result has followed in every country which has retained the unlimited coinage of silver at any ratio?
Mr. McRAE. It has never followed in any first-class govern-

Mr. McRAE. It has never followed in any first-class government like this, If France, Germany, or England should adopt the free coinage of silver, it would not, in my opinion, follow. It follows in Mexico and Japan and all those half-civilized countries,

for reasons that I have stated.

Mr. BOATNER. Then why did France change it in 1874? She

has commerce and is a very powerful nation?

Mr. McRAE. I would think because the United States did so first. France, be it said to her honor and glory, stood by us in our fight for liberty; she gave her gallant and noble son, Lafayette, to help us win our independence, and she faithfully kept the agreement to maintain real bimetallism until after the United States, by the act of 1873, abandoned it. It is sometimes said that the United States followed France and Germany to the single gold standard. It is not true. Germany put upon the market some of her silver prior to our law, but the German act of demonetization was not passed until the July following our act of February 28,

Mr. LACEY. Did not France change her ratio over twenty times in less than one hundred years in order to keep bimetallism? Mr. McRAE. I do not know that she ever changed her ratio, and if so, how often, but I give her praise for doing so if it was necessary in order to keep bimetallism. If it is necessary for us to change the ratio in order to keep bimetallism, let us change it,

but I want to say that we now have the highest ratio of any firstclass country

Mr. WILLIAMS. France has never changed her ratio from

1873 until now.

Mr. LACEY. She dropped silver altogether in 1874.

Mr. WILLIAMS. But the ratio has never been changed since

Mr. WILLIAMS. But the ratio has never been charged size that time.

Mr. McRAE. Outside of the bullion owned by the United States there is but little uncoined silver in the world. It is estimated that 90 per cent of the product for the last year was coined. The silver in Europe is coined money, and is the equivalent of her gold and circulates side by side with it, and it is coined at a ratio that would require the loss of 3 per cent and freight charges both ways in order to exchange it for a dollar of no greater value to them ways in order to exchange it for a dollar of no greater value to them than the coin they now have. Besides, we must remember that the European coins are old and that there will be considerable loss in melting. Gold is not a legal-tender in India, and that country will not dump any silver on us as long as silver is in the hands of the common people and is the only money they have. The proposition for free coinage practically involves only the coinage and osition for free coinage practically involves only the coinage and use on our part of our present stock and the annual increase, which would be about \$1 per capita. We must not forget that Europe still coins silver on government account and that our miners furnish them a large part of it. The net exports of silver for 1895 amounted to \$27,631,789. I refer to those facts to show how easy it would be for us to absorb the present surplus of silver the fairly of the present surplus of silver and the fairly of the present surplus of silver the fairly of the fairly of the present surplus of silver the fairly of the f This is a world-wide question, and it can not be fairly considered without estimating the demand of the world.

IS IT REPUDIATION?

The gentleman from Maine [Mr. DINGLEY] on yesterday, and the gentleman who preceded me this morning [Mr. Johnson of North Dakota] have said that free silver means the repudiation of existing debts. If I believed that I would not give my vote to it. I do not believe there is any way to get rid of an honest debt except to pay it, and I have no respect for the man, the State, or the Government that would repudiate the payment of a just debt. But I am just as much opposed to the robbery of the helpless debtor who is required to pay in a coin made dearer by law. All private debts are payable in lawful money, unless otherwise stipulated in the contract, and all our public debts are payable in coin—gold or silver. While we make no proposition to change the one, we should resist at every step the scheme of the bondholder to alter the other. For both we insist upon payment according to the terms of the contract. But I beg to remind the The gentleman from Maine [Mr. DINGLEY] on yesterday, and

gentlemen who shout themselves hoarse over the false cry of repudiation that they have, unintentionally perhaps, utterly demolished some of our Democratic gold men, who insist that free silver is in the interest of the silver miners. If it would work the repudiation of private and public debts by paying them in 50-cent dollars, then it could not enrich the miner. I will leave our gold-bug friends who present these two conflicting arguments to

gold-bug friends who present these two conflicting arguments to get up a joint debate and determine which of the two propositions is true. [Laughter.]

I am not here to speak for the silver miners. For them as miners I care nothing. I had the honor when the Sherman Act was pending to speak against its passage, and I said then that the Senators from the silver-producing States by agreeing to it would surrender to the Eastern gold bugs, and I now charge upon them responsibility for all of the injury to bimetallism which has resulted from that miserable makeshift. To get a market for a lot of silver holion they consented and added in the passage of a law that stopped all coinage. Both in the House and Senate, the Democrats, the real friends of silver, voted solidly against that act, because it reduced silver to a commodity and surrendered the scientific principle of bimetallism. ciple of bimetallism.

other timid gentlemen, Mr. Chairman, tell us that they believe in bimetallism and want an international agreement, but assert that we can not go it alone. Can not go it alone! May the Lord increase the faith and patriotism of all such! If it was necessary for the United States to go it alone upon this question, as she has upon others, I think she has the commerce, the resources, and the people to enable her to boldly declare that "We will go it alone!" [Applause.] But, sir, we will not be alone. Of the 1,250,000,000 people of the world, about two-thirds are to-day upon the single solvernment on earth silver standard, while there is not a single government on earth

that does not use silver to some extent.

Mr. LACEY. The gentleman says that two-thirds of the people on the globe are using silver as the basis of their currency. Now, if that is true and they can not raise the price of silver bullion, how is it that the gentleman expects the addition of 70,000,000 more of users to have that effect?

Mr. CATCHINGS. I wish my friend from Jowe world add to

of users to have that effect?

Mr. CATCHINGS. I wish my friend from Iowa would add to his question the fact that since 1873 more than \$2,000,000,000 of silver money has been coined and still the price has gone down.

Mr. McCULLOCH. Let him add also the fact that notwithstanding the use of that silver the world has also about \$2,460,000,000 of uncovered paper money, which shows that the world lacks that amount of real metallic money and is compelled to substitute

Mr. McRAE. Mr. McRAE. All the governments, I think, use silver in some way as money. Measured by population, a large majority of them have adopted silver as the standard, but as none of the great Covernments like the United States, Great Britain, France, Germany, and Russia provide for the free coinage of silver, as they all do for gold, there is an annual surplus of about \$200,000,000, which is not needed to meet the demands of their limited coinage laws, and the value of that surplus is called the commercial value of silver. It is worth less than coined silver because denied the functions of money. All the silver coined by any of the great commercial powers that I have named is on a parity with gold at the legal ratio which, in every other country except one, is less than ours. On the question of the ability of the United States to take this step without treaty, I desire to quote the opinion of that great lawyer and wise and conservative statesman, ex-Attorney-General Garland. He says:

I can not help believing that our country is big enough in territory, in soil, and climate, in all the appliances of the arts and sciences, in all its variety of productions, in all its different interests of its people, in energy and honesty, and in name and character, to fix its own standard of value without waiting for or dancing attendance upon foreign powers. Let us fix them and these foreign powers can follow, if they will; but let us fix them.

We occupy first place as to mining, manufactures, agriculture, education, and the industrial arts. The growth of the United States can as well be shown by its railways as anything else. Fifty years ago we had no railways, but now we have 76,000 miles, the value of which can not be expressed in the total coined money

of the world.

The banking power of the United States is nearly one-third that of the world and half as much as all Europe. I call attention to the following from the St. Louis Republic:

The wealth of the United States is more than a fourth as great as that of all the rest of the world put together. So reports Professor François, a student of political economy, in a recent number of Mondo Moderne, a French publication.

He places the wealth of this country at 313,000,000,000 francs, which is equivalent to about \$82,000,000,000, and that of the other eighteen countries covered by his statistics at 1,144,700,000,000 francs.

According to this statistician, the value of all property owned in England, including money in circulation, is 265,000,000,000 francs—8,000,000,000 less than this country's wealth. Third place is given to France, with 225,000,000,000,000 and fourth to Germany, with 181,000,000,000 francs. Then come Russia with one hundred and twenty-seven, Austria-Hungary with eighty-two, Spain with sixty-two, and Italy with fifty-four billions, or milliands—as the French say—of frances.

ancs. less are the richest countries of the world. There are four in the list-

Italy, Spain, Russia, and Austria-Hungary—whose combined wealth is only a little larger than that of the United States.

Senator George, that great lawyer and courageous champion of the common people, has stated the facts bearing upon our power, wealth, and productive capacity more forcibly than I can hope to do. I will ask the Clerk to read what I have marked. The Clerk read as follows:

The Clerk read as follows:

The United States in territory, leaving out Alaska, is larger than all Europe, leaving out Russia. Their soil and climate are unequaled. The range of their productions covers nearly all that is valuable to man and all that is essential to human happiness. Taking the silver-using countries, there is produced in them and in the United States together every necessity and every comfort of human life. We are 70,000,000 people, and are increasing at the rate of 2 per cent per annum. Our country is comparatively new and undeveloped. More and better houses, roads and bridges, railroads and canals are needed. Money is needed to make them. We ought not to borrow that money from sbroad, and would not if we had a sufficiency. Our mines are more cheaply worked and turn out more than those of other countries. The immense and valuable forests which now obstruct the farmer's plow need to be cleared away to make homes for our increasing population, & per cent of whom are landless. More and better schoolhouses and church edifices are needed, more museums, more galleries of art, more public libraries. Our population is the most industrious and therefore needs more more onemodities, and therefore needs more more work, the analysis of the countries of art, more public libraries.

whom are landless. More and better schoolhouses and church edifices are needed, more museums, more galleries of art, more public libraries.

Our population is the most industrious and the most productive of all peoples, and consumes more commodities, and therefore needs more money, than any other.

A great statistician and a gold monometallist, Mr. Walker, of Massachusetts, has stated in a public speech that we consume more than do 200,000,000 of the people of Europe—about three times as much per capita. By the extreme subdivision of labor now existing and still progressing, no man produces one hundred he part of the commodities he needs. He produces to sell for money with which to supply his wants. As production increases so does consumption, and so does the need for more and more money.

Let us compare our country a little further with Europe. I take my figures from an English statistician of world-wide renown. Mr. Mulhall.

The merchandise transported on our railreads is double that carried on all the railways in all the other countries in the world. I add that the merchandise carried on our waterways is one-quarter of that carried on the railways. All this merchandises is bught with money and sold for money on an average at least three times. With twice as much merchandises carried and sold and consumed by our people as in all the world together, does it not look a little as if we needed twice as much money as all the world vetwee have only about one-stath as much gold (the only good money, according to our monometallic friends) as is possessed in Europe.

Mr. Mulhall gives us some further figures of immense importance in this connection. By superior energy and skill, by the use of more steam and electricity, greater labor-eaving devices, the United States possess more productive power than Great Britain, France, and Germany all combined. When we consider the more than 4,00,000 mecasary to feed and clothe them, we may safely asy that the productive power of the United States aquite as great as that of all E

"I can scarcely withhold myself from joining in the wish of Silas Deane, that there were an ocean of fire between us and the Old World."

And I reverently add that I can scarce refrain from joining in the same wish.

WHY THE UNITED STATES SHOULD ACT.

Mr. McRAE. Now, Mr. Chairman, having shown to my own satisfaction, and I trust to the satisfaction of others, that we are strong enough to fix our own standard of value, I want to give

strong enough to fix our own standard of value, I want to give some facts to show why we should act at once.

We produce more silver than any other country. It is one of the items of our national wealth, and it is our duty to legislate of as not to injure it. To adopt the bimetallic standard would beyond question enlarge our foreign commerce. Being the leading nation of the world, our geographical position would soon give us control of the markets of the world if we would enact wise trade and finance laws. We have courageously and patriotically determined to enforce the Monroe doctrine, and passed the Wilson bill to extend our trade, but still have the single gold standard. Here we are with silver-using Asia and Mexico on one side and gold-using Europe on the other, all reaching out for our trade; some want the products of our mines, some of our farms, some of our forests, and others of our factories, but all want trade of some kind. The patriotic, statesmanlike thing to do is to extend to all of them the right hand of fellowship and at once change our mometary standard so as to revive business, prevent further decline in prices in farm products, and make it easy to settle international balances.

I have here the advanced sheets of the statistics of our foreign commerce for the year ending June 30, 1895, kindly furnished me by the Bureau of Statistics, and from them I get the exports and imports by the grand divisions of the world:

Countries.	Standard.	Imports.	Exports.
Europe	Gold	\$383, 645, 313 68, 860, 152 11, 580, 760 112, 167, 120 77, 626, 364 5, 709, 169	\$627, 927, 692 31, 563, 830 6, 629, 369 33, 525, 935 17, 325, 057 6, 377, 842
Total		659, 589, 378	723, 849, 725

From this table, Mr. Chairman, you will see that in the principal silver-using countries the balance of trade is against us, while pal silver-using countries the balance of trade is against us, while it is in our favor in those using gold as the standard. To silver-using Mexico, West Indies, and Asia we owed a balance of \$102,-559,120, and to gold-using South America \$78,641,185. But, sir, when we come to gold-standard Europe and Africa we find that the balance in our favor is \$244,950,552. If these balances were settled by the payment of the metal which is the standard of value in the respective countries, then we received \$166,308,367 more of gold than we paid out, and \$63,760,357 more gold than we paid out. gold than we paid out, and \$63,760,357 more gold than we paid of both gold and silver. I know, Mr. Chairman, that international trade balances are not settled in the coins of the debtor Governtrade balances are not settled in the coins of the debtor Governments, but with bullion or coin at its bullion value; but it is easy to see what an advantage it is to us to use our silver when we can, and for the cotton, wheat, corn, and meat products that our farmers send to Europe to receive gold bullion. This shows that we are in no danger of losing gold by adopting bimetallism, but, on the contrary, it is the surest way to keep it. So far as I am concerned, I would be willing to rest the cause of bimetallism upon this single point so far as the United States is concerned.

I am not one of those who believe that the Anglo-Saxon race

am not one of those who believe that the Anglo-Saxon race will ever become slaves and serfs whatever may be our financial policy. No, Mr. Chairman, if we are driven into the market to buy policy. No, Mr. Chairman, if we are driven into the market to buy gold when we have silver in the Treasury, which ought never to be done, we know that our country will get it, as the bids just opened show, but every man who is proud of our history and hopeful of the future should insist upon a broader monetary basis and a larger field for our commerce. Shall we, when our Christian civilization is ripe, when the countless resources of our country are being discovered and developed, when the products of mine, farm, forest, discovered and developed, when the products of mine, farm, forest, and factory to be exchanged and utilized by both the gold and silver using people are increasing, narrow the basis of our business? admit it is to ask the American people to be satisfied with the condi-tions of the Old World. To follow the financial policy of Europe is to yield to a conspiracy te check the progress, social development, and Christian sentiment of a Government now the vanguard of civilization—a Government whose mission it is to lead, not to

It is common for those who take the opposite side of this question to tell us that gold and civilization, and silver and barbarism, go together. I ask, Mr. Chairman, when did France and Germany reach their highest state of civilization? Was it not before they went to gold monometallism? When did our own beloved country show the greatest growth in population and prosperity among the farmers and other producers?

It was under the free-coinage act of 1837. In 1860 the farmers States; now they own less than 20 per cent of it. It was not until France, Germany, England, and the United States adopted the gold standard that they were afflicted with social discord and labor strikes.

Take the gold-using countries as a whole, and they have national debts aggregating \$40 per capita, while that of the silver-using countries is only \$4 per capita. England has been referred to as a great creditor nation. In the sense that the corporations of this and other countries owe her people, she is a creditor nation, but let us not forget that the Covernment of Great Britain owes \$3,500,000,000, which is about \$90 per capita for each subject. Other European countries are not in as good condition.

Edward Atkinson is reported to have said that the public debt of Europe had increased from \$2,000,000,000 to \$22,000,000,000 within the present century. England has paid only about \$500,000,000 of her national debt during the last fifty years. Yet that is the progress and civilization held up as an example for the United States. At the rate we are selling bonds we may come to it; but at this time, with more people and more wealth, we owe only about Take the gold-using countries as a whole, and they have national

at this time, with more people and more wealth, we owe only about one-fourth of what Great Britain does, to say nothing about her dependencies, for the most important of which she enforces the silver standard. If you want a great national debt, continue the single gold standard, but if you want a freer commerce, an inde-

pendent and happy people freed from debt, a Government resting upon manhood with equal rights to all and special privileges to none, give us the bimetallism established by the fathers of the Republic. For one, I do not believe that a national debt is a blessing, and I deny that our Government or people can advance civilization by getting in debt. I treat the civil was a second of the civil a blessing, and I deny that our Government or people can advance civilization by getting in debt. I trust the time will soon come when our public and private debts will be paid. Debts are the greatest troubles to our people, and with the rising value of gold they cling to them as did the "old man of the sea" to the neck of Sinbad the Sailor.

Mr. WASHINGTON. Allow me to ask the gentleman how much has the national debt been decreased since 1879, when we

resumed specie payment, and was that reduction had on a gold

basis or on a silver basis?

Mr. McRAE. It has been reduced about one-half.

Mr. LITTLE. How much cotton would pay it then and how much cotton would pay it now?

Mr. McRAE. It would take about as much cotton to pay it now as it would then. But thanks to a patriotic people and the Bland Act, a large part of it has been paid. For the twelve years that followed the passage of that act our commerce increased and our people prospered as much as was possible with a gold standard and high protection tariff.

Mr. CATCHINGS. Does my friend attribute that to the use of silver?

Mr. McRAE. I do in a large measure.

Mr. CATCHINGS. Why not to the fact that the resumption specie payments had given us a sound and stable currency? I say that the resumption of specie payment at

that time without the use of silver was impossible.

Mr. BOATNER. Then the gentleman admits that the Bland

dollar does not rest on the same basis as paper money, but is

money of final redemption?

Mr. McRAE. There is a vast difference between the silver dollar and paper money. Notwithstanding the standard silver dollar has been denounced and boycotted by the Treasury officials and the most of the bankers since the passage of the Bland Act it is to-day as good as gold here or elsewhere, less transportation charges. No man can be found who has ever lost a cent on the standard American silver dollar. Not a dollar in silver or silver certificates has ever been or can be legally redeemed in gold. They are receivable for all debts due to the United States—this and nothing more has the Government done or promised to do for

Mr. LACEY. Then why repeal the law that makes that dollar

Mr. McRAE. I want to make more dollars like them.

Mr. BOATNER. I think my friend from Arkansas did not understand my suggestion. I agree with the position he now takes as to the silver dollar being money of final redemption. That is the position I have always taken. Many of the advocates That is the position I have always taken. Many of the advocates of free and unlimited coinage contend that the money issued under the provisions of the Bland-Allison Act is not money of final redemption, because they say it is subordinate to gold and that the whole volume of our money of final redemption is restricted to the gold circulation. I say that all the silver money issued under the Bland-Allison Act reenforces the gold and that all of it is money

of final redemption.

Mr. McRAE. I think I understand the position of the gentleman from Louisiana. The silver dollars are redemption money to the extent that they do not require redemption themselves. What I complain of is that they are not used to redeem the paper obligations of the Government. I think it is the duty of the Secretary of the Treasury to coin and use silver in redeeming the notes and bonds of the Government. They are all payable in silver, and I believe that if the policy of paying in gold alone was changed, and silver or silver and gold in equal parts used, that the strain upon the Treasury caused by exports of gold would stop at once. If you and I can agree on nothing else, let us resolve to prevent the retiring of the present stock of standard silver dolors.

The CHAIRMAN. The time of the gentleman from Arkansas

Mr. McRAE. Mr. Chairman, I hope I can have consent to continue for ten minutes.
Mr. CATCHINGS. I think the gentleman should certainly have

that privilege, as he has been very much interrupted.

Mr. McMILLIN. I suggest that the gentleman be permitted to go on, and then whoever is to be recognized can come after. The gentleman has yielded very patiently to a great many interrup-

Mr. BOATNER. I ask that the gentleman have ten minutes.
Mr. WALKER of Massachusetts. If it does not interfere with
the time of those who are to follow. If it does not interfere with

Mr. McMILLIN. I would say, give the gentleman ten minutes

The CHAIRMAN. Is there objection to the gentleman from Arkansas proceeding for ten minutes?

was no objection.

There was no objection.

Mr. McRAE. I thank the committee for the extension. I understand that my friend from Mississippi wishes to ask a question.

Mr. CATCHINGS. Well, my friend is so frank that I will be obliged now if he will let us know exactly what he understands by the term "bimetallism." There seems to be some controversy and confusion with reference to the matter.

Mr. McRAE. I understand it to be the legal right to have coined at a fixed ratio both metals and the right to use either as

coined at a fixed ratio both metals and the right to use either as money of final payment. In other words, the "dollar," the unit of value, should be coined of either metal and thus secure to debtors and business men the double or alternate standard. I do not

insist that bimetallism necessarily carries concurrent circulation.

Mr. CATCHINGS. That is the very point that I wanted the

gentleman to explain.

Mr. McRAE. But the gentleman must not confuse circulation with the standard or measure of value. To illustrate, if the demand for gold in some other country for some special purpose increases its value or makes it scarce here, there will at once be a demand for silver to meet the scarcity occasioned by the with-drawal of gold, and for the same reason the value of silver will be increased, so that one may circulate to-day and the other tomorrow. At any given moment the standard actually used in any particular country may be one or the other and not both; but if the right to use either is secured by law this is bimetallism, and it

will tend to make each metal change less than it would otherwise.

Mr. CATCHINGS. Then my friend, under that definition,
would consider Mexico a bimetallic country, and she has the same

Mr. BRUMM. Does Mexico coin any gold at all?
Mr. McRAE. The Director of the Mint puts Mexico down as being upon the single silver standard. She has silver monometallism, not bimetallism. I am as much opposed to the single silver standard as I am to the single gold standard.

BIMETALLISM-HISTORIC, CONSTITUTIONAL, AND DEMOCRATIC

Silver is historic, constitutional, Democratic money. organization of human government gold and silver have both been used as money. When the United States secured their in-dependence silver was in use as standard money in the mother country as well as in the colonies. It was distinctly recognized by the Constitution, and from the foundation of the Government, following a policy indorsed by Jefferson and defended by Jackson, the Democratic party has been the party of bimetallism, favoring the beincerate party has been the party of binetathism, ravoring the coinage of both gold and silver as standard money. For the last fifteen or twenty years we have had three distinct financial policies presented to the country by the leaders of as many different political parties:

ferent political parties:

1. The single gold standard with the national-bank notes for currency, which has been and is yet supported by a majority of the Republicans. As a general thing, Republicans are opposed to silver, but I do not say all Republicans, for there are some in the South and West who favor it.

2. The irredeemable fiat paper money advocates, who make no distinction between metallic and paper money, and demand that it all shall be issued by the Government to the people upon a per capita basis. This scheme of finance is advocated by the Populists, who, as a general thing, do not believe in redemption money, care nothing for either gold or silver, and favor silver because it is popular in certain States. I warn Democrats against such pretended friends.

3. The old safe and sound bimetallic doctrine of gold and silver as the basis, and such an amount of paper money as can be kept at par with coin, has been maintained by a large majority of the Democratic leaders and voters, and in my opinion this is what a majority of the people desire.

The present Executive has been twice elected as a Democrat,

the first time in 1884, on a platform declaring for "honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss;" the last time, in 1892, when the party was committed to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discriminating against either metal or charge for mintage, etc.; and the only time that he was ever defeated before the people was in 1888, when his party made no distinct declaration upon the coinage question, and the same year the Republican party declared for the use of both gold and silver as money and condemned the policy of his Administration in its efforts to demonetize silver.

In every Democratic Congress except one since the passage of the act of 1873 a majority of the Democratic Representatives and Senators have endeavored to right the great wrong perpetrated by that law. Our party is not responsible for bringing this coun-try to the single gold standard. All that can be truthfully said against the record of our party on this question is that the Fifty-

third Congress, which was Democratic, failed to restore silver coinage. This political sin of omission on the part of the Democratic Administration must be confessed, and the people administered a severe punishment in 1894. We must now turn our attention to correcting the mistakes of two years ago and elect none who have deceived us. I believe the only chance for the success of the free coinage of silver at the next election is to have the Democratic national convention declare for it and nominate a

candidate who believes in it.

I do not believe that any President of the United States will ever I do not believe that any President of the United States will ever preside during the life of any of us who is elected upon a platform declaring distinctly against silver. The Republicans of this House may do like the last Congress, and defeat this amendment, but the people, mark my prediction, will rebuke them for it as they rebuked the Democratic party.

Mr. CATCHINGS. Does my friend think that any man could be elected President on any platform that declares for the free coinage of silver at a ratio of 16 to 1 without the cooperation of other countries?

other countries?

Mr. McRAE. Yes; I believe with all my heart and soul that if the Democratic party, when it meets in convention at Chicago in July, declares for the free, unlimited, independent coinage of silver at a ratio of 16 to 1 it will carry two-thirds of the States of the Union, and give the Republican party, if it adopts a single gold-standard platform, such a defeat as it never gave it before. [Appleage 1]

No Democrat who loves the principles of his party ought to reruse a hearty support to its nominees whatever may be our differences on the coinage question, for we can accomplish nothing without organization. It may be necessary to reform the party before it can reform the coinage and currency laws. But let us swear by the sacred memories of the founders of Democracy and before it can reform the coinage and currency laws. But let us swear by the sacred memories of the founders of Democracy and that faith which is due the people that we will tread no backward step upon these questions. Come what may, we will not lower our flag to our common enemy, the advocate of centralization, extravagance, monopoly, and high taxes. "Our party must become a compact organization, for we will be confronted in November by an unscrupulous foe. There will be no speck on our record they will not magnify; no circumstance they will not torture and misrepresent; no disappointment they will not exaggerate into a revolt; no class or creed they will not seek to inflame; no passion they will not attempt to arouse; no fraud they will not willingly perpetrate; no combination with the isms of politics they will not make; no crime they will not condone. United let us stand guard, full armed at every point to meet them. Our appeal is not to passion nor to prejudice, to class or faction, to race or creed, but to the sound common sense, the interest, the intelligence, and patriotism of the American people."

I am aware that there are some who think that the party of Jefferson, Madison, Monroe, Jackson, Tilden, Seymour, Hancock, Hendricks; Beck, and Thurman can not recover from the overwhelming defeat of 1894, but, Mr. Chairman, the Democracy has seen darker days than these. This is no time for gloomy forebodings, but rather a time for us to reason together; to take a survey of the conditions that threaten our institutions. Let us renew our fealty and close up our lines for the coming contest; and let Democracy has a sevent when he were of the seductive overtures heing made by

the conditions that threaten our institutions. Let us renew our fealty and close up our lines for the coming contest; and let Democrats everywhere beware of the seductive overtures being made by those who would link the destiny of silver to protection, railroad ownership, subtreasury land-loan or other paternal schemes of government. If you want the free coinage of silver you must stand by that organization that has fought its battles in the past; that party which has given you 423,000,000 silver dollars, and the only one that is likely to give you more of them. [Applause.]

Coin Redemption Fund.

SPEECH

HON. BENTON McMILLIN,

OF TENNESSEE.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. McMILLIN rose and was recognized:

Mr. McMILLIN rose and was recognized:
Mr. CHAIRMAN: After a man of the distinction of the gentleman who has just taken his seat [Mr. DOLLIVER], a member of the Ways and Means Committee, which has charge of this question, has occupied the time of the House for about one hour and has failed to state what his views are on the silver question, it is not strange that in the last emergency and in despair he should

hold up his hands and say, as he did: "We trust the Lord in this business." [Laughter.] Gentlemen who have questions so important as these for consideration on behalf of 70,000,000 people ought to be at least candid with their fellow-representatives in the

ought to be at least candid with their fellow-representatives in the enunciation of their own principles.

When the gentleman was asked directly: "Do you favor the coinage of silver at any ratio and in any degree or not?" he was dumfounded and opened not his mouth, except to say that he was with the Republican party on this question.

The gentleman has heard from his party, and we behold a member of the Committee on Ways and Means saying what you ought not to do, but wholly unable or unwilling to point out what you ought to do.

ought to do, but whoshy this or this wind to point out what you ought to do.

Mr. Chairman, we have resting upon us one of the most fearful responsibilities that ever devolved upon a body of representatives of a great people. These are grave and solemn questions that are presented for our consideration. The questions, how much currency we should have, what should be its nature, how it should be distributed, how it should originate, are questions to which the gentleman would do well to give his attention instead of applying spithests to those who happen to differ from him.

the gentleman would do well to give his attention instead of applying epithets to those who happen to differ from him.

Lest I should forget it in a different connection, let me say that the gentleman [Mr. Dolliver], in the course of his remarks, asked whether they had not tried in 1890 the experiment of the issuance of more silver, and whether it had not broken down. I want on any in reply that the distinguished gentleman whose name was attached to the measure known as the Sherman law is credited with saying that the object of that legislation was to prevent silver coinage. Again, that measure provided for the purchase of silver, but not for its coinage and its standing as money side by side coinage. Again, that measure provided for the purchase of silver, but not for its coinage and its standing as money side by side with gold and on an equality with it. It provided for the purchase of silver bullion and the deposit of it in the Treasury, and for chase of silver bullon and the deposit of it in the freasury, and for issuing upon it gold and silver certificates or warrants. It was not bimetallism in any sense. Of course such a measure as that would receive the condemnation of the people, as it did; of course such a measure as that could not result in any good to silver or to the people. It was intended as a stab at silver, and did do much

When asked how he stood upon the silver question, the gentle-

man from Iowa said:

I stand with that party which has coined \$600,000,000 of silver, and has kept it all at par with gold.

It all at par with gold.

He concealed the fact that that party's representative, who by the grace of the Electoral Commission was occupying the White House—Mr. Hayes—vetoed the very bill under which that was done, and it was by Democratic votes passed over his veto. So that it was a Democratic, not a Republican measure, that gave that silver to the country, and his party repealed it in 1800. [Applause.] Let us have a little plain dealing with each other in this discussion. [Applause.] L. this discussion.

The gentleman says that in the long run when we have free coinage the value of the coin produced will correspond to the value of the metal that is in it. I do not propose to be otherwise than candid in this discussion. That is a correct statement of than candid in this discussion. That is a correct statement of what would occur ultimately; and I take the gentleman's own confession later on to go with that. But the value will be measured by the value of bullion that is in the dollar after the legislation unfriendly to it has been repealed. He admits that to rehabilitate silver by statute, to authorize free coinage, would have a tendency to raise the price. He tells us that the office of money is to buy things. I think I shall be able to show him before I get through that a main office it has had to perform in this country for a great many years has been the payment of taxes. this country for a great many years has been the payment of taxes.

NOT ENOUGH CURRENCY TO PAY TAXES AND CARRY ON BUSINESS. Mr. Speaker, there is no denying the fact that our finances are Mr. Speaker, there is no denying the fact that our manness are out of joint. Gentlemen who have not traveled over the country, who have not gone to the homes of the people, to the retail stores and workshops, have little conception of the great scarcity of money with the masses.

Business men, and those having control of public affairs, continually admonish the farmers and laborers to cease doing credit business and ray as they so for what they hav. Wholesale mer-

business and pay as they go for what they buy. Wholesale merchants would rejoice if able to sell for cash instead of selling on credit. The retailers would be gladdened by a change from a credit to a cash system. But there is not a sufficiency of currency

to carry on the business of the people in that way.

Who has not seen the beautiful essays, from time to time published, setting forth the advantages of these changes? Who has not heard the eloquent declamations favoring cash against credit? We have all heard and seen these things time out of mind, and felt their force and admitted their truth, yet we have known, and do know, that, however beautiful the theory, it is impossible of application with the small volume of currency we now have.

TAXES OF THE AMERICAN PROPLE.

To the States. To the counties. To the municipalities..... 329, 635, 200

The money of the United States outside the Treasury is estimated by Secretary Carlisle to be \$1,598,000,000. Of this amount it is safe to say that not so much as \$1,500,000,000 is in actual circulation. Speaking in round numbers, it is safe to calculate that about one-third of all the money in actual circulation has to go annually for Federal taxes, over a third of it for State, county, and municipal taxes, leaving only about \$500,000,000 to carry on commerce unobstructed by the taxgatherers.

Sir, in vain will you clamor against credits; in vain laud the cash system; in vain declaim against credits; in vain find the situation. In vain will you look for the permanent return of prosperity while there is insufficiency of currency. Our population and commerce are increasing rapidly; and even if we had all the currency which was needed now it would be wholly inade-quate five years hence. There must be a constant increase of currency to keep pace with this increase in population and busi-ness. We had this partially provided for by what was known as the Bland Act of 1878, which required the coinage of not less than \$2,000,000 and not more than \$4,000,000 worth of silver per annum. but in 1890 the Republican party repealed this act and substituted in its stead what is known as the Sherman Act, which stopped the compulsory coinage of silver and provided instead for the issuance gold and silver obligations upon bullion purchased and depos-

at this point, Mr. Chairman, I desire to comment very briefly upon the Sherman law. It was recognized at the time as a deadly blow aimed at silver, but the Republican party put it through against the protest and over the opposing votes of every Democratin Congress. Mr. Bland, the author of the act of 1878, under which \$400,000,000 of silver was coined, predicted at the time the calamity that would come from it. Mr. Sherman, the author of the bill, has since admitted, as I stated in another connection, that its object was to prevent free coinage of silver. When the Democratic convention was it decorated the Sherman laws of the free control of the convention of the convention of the control of the convention of the control of vention met it denounced the Sherman law as "a fraud and a sham" and demanded its repeal. It was foreseen then, it is known now, that to buy silver and issue gold obligations upon it, instead of coining and letting it stand upon its own basis, meant the use of silver only as a commodity and its ultimate destruction. It was repealed in pursuance of promise by those who denounced it. DISASTERS OF REPEALING THE BLAND LAW AND PASSING IN ITS STEAD THE SHERMAN LAW.

Mr. Chairman, let us look at some of the disastrous conse quences which have flowed from the Sherman Act. coined silver under the Bland Act we had no difficulty in maintaining specie payments. About \$100,000,000 of gold was bought many years ago by the issuance of bonds to enable the Government to resume specie payments. This was held for the redemption of the \$346,000,000 of greenbacks issued by the Government, and proved ample for the purpose. But when the Sherman law was passed and \$150,000,000 of obligations which might be redeemed in gold were issued upon the silver bullion purchased, that became an additional strain on the \$100,000,000 of gold reserve. In additional strain on the \$100,000,000 of gold reserve. tion to this there was in circulation \$200,000,000 of national-bank money redeemable in greenbacks. Being so redeemable and the greenbacks in turn being redeemable in gold, these also became virtually an additional burden on the gold reserve, and we had the anomaly of \$700,000,000 of paper resting on \$100,000,000 of

The addition of the Sherman notes to the paper demands on the gold reserve made the strain so great that it was found insufficient to meet it, and the Government has since from time to time gone into the market and bought more gold with which to maintain specie payments. I regard this and high taxation as the most ruitful sources of the panic which almost bankrupted the country. I think the repeal of the Bland Act and the enactment of the Sher-man law instead one of the greatest calamities that has characterized Federal legislation in two decades. If we had continued to coin silver and let it stand on its own basis instead of issuing gold obligations upon the bullion, as was done by that act, silver would have taken care of itself.

DISASTERS ACCUMULATED UNDER THEIR AUTHORS

Sir, the Administration of President Harrison stayed in power long enough to feel the folly of this unwise legislation. The large long enough to feel the folly of this unwise legislation. The large surplus which they had obtained from the Democratic Administration was swept away and became nothing. Deficiency was staring them in the face. The gold reserve was run down until they prepared to issue bonds for the purchase of gold before the close of his Administration. But finally it was ascertained that by changing the system of bookkeeping, by raiding the trust funds of the Treasury and counting them as reserves, they could bridge

enue than was expended, and a panic in full blast. Our people have worked and struggled ever since like slaves. Their corn-cribs and wheat bins are overflowing with abundance, but so dis-jointed had they made our finances that the prosperity worked for and hoped for was slow to return.

DIFFERENCE BETWEEN THE BILLS.

Mr. Chairman, two bills are presented for our consideration. One is the House bill, which provides for the issuance of a new quality of bonds to keep up the gold reserve, and for the issuance of certificates of indebtedness of the Government to meet any deficiency in the current revenues; the other is a bill sent us by the Senate as a substitute therefor, which meets the demand for money in a different way and a better way. We now have silver bullion in the Treasury which cost \$127,000,000, the seigniorage on this, or profits from its coinage, would be about \$40,000,000, and the Senate bill utilizes this seigniorage by putting it in circulation.

The House bill provides for a temporary currency to be with-The House bill provides for a temporary currency to be withdrawn at the end of a few years, thereby producing stringency when withdrawn. The Senate bill borrows nothing, goes in debt for nothing, but utilizes what we already have. It adds permanently to the currency of the country instead of laying the foundation for future stringency. The Senate bill by section 3 provides that no national-bank notes of less than \$10 shall be issued, thus leaving the field of small denominations to silver and silver certification. tificates alone. Section 4 provides for the redemption of the notes of the Sherman Act and the greenbacks in gold or silver, at the

option of the Government.

The gentleman from Maine tells us that the Government will have no difficulty within five years in taking in all the Sherman notes and issuing silver in their stead. Yet he refuses to pass this law which provides that it shall be done. As I have indicated, the Government has already a large amount of silver bullion on hand. The Senate concluded it had better coin this at a profit of \$40,000,000 or \$50,000,000, and thus obtain money to meet current expenses, than by issuing any kind of bonds, high or low, short or long. There is no ill for which the House bill is

a remedy.
Sir, the Secretary of the Treasury has told us that we do not need additional revenues, that the revenues of this year will be within twenty millions of the expenditures, and that next year there will be a surplus. So we shall see over one hundred millions of money in the Treasury in excess of the gold reserve after paying all deficiencies. And yet we are solemnly asked to go on and provide for a contingency that can never happen. Such expensive child's play, Mr. Chairman, I do not intend to take any

part in. Mr. LACEY.

Mr. LACEY. Will my friend permit a question?
Mr. McMILLIN. With pleasure.
Mr. LACEY. My friend from Tennessee, being upon the Ways and Means Committee, is familiar with this question of revenue, and I will ask him whether he has observed that for some time past the shortage runs from \$500,000 to \$800,000 a day, and whether the thinks independent and property and the state of the committee of th

past the shortage runs from \$500,000 to \$800,000 a day, and whether he thinks, judging by our present experience, that the deficit will be less than twenty millions for the current year?

Mr. McMILLIN. I think the amount of deficiency is overestimated by my friend. Just what it will be I can not say, but I will state to the gentleman that I have been astonished at the accuracy with which the Treasury experts figure out what will be the revenues for any given period of one or two or three years. I do not know just what the deficit will be, but this I do know, and it is the material question for consideration, that there is no possible state of affairs which can call upon one-half the money that will be in the Treasury in excess of the gold reserve within the next three years.

next three years.

ONDITION OF THE TREASURY

Mr. Chairman, in further response to the gentleman from Iowa I will say that the pretenses under which the majority of the House passed the House bill authorizing the sale of bonds and the issuance of certificates is the maintenance of the gold reserve and to

meet a deficiency of revenues

Let us examine the condition of the Treasury and see what it needs. The Treasury contains an available cash balance, includneeds. The Treasury contains an available cash balance, including the gold reserve, of \$181,000,000. Inside of sixty days it will be over a quarter of a billion dollars, about one-seventh of all the currency in existence. Sir, will the gentleman tell us what need he has for certificates of indebtedness? If, instead of his bill, the Senate bill should pass, we would get the benefit of the seigniorage now locked up in the Treasury, and thereby add forty millions more to our available cash and to the circulating medium. The Secretary of the Treasury informs us that very soon our revenues will equal our expenditures. So it now looks like that very soon the problem with us will be how to get this vast sum in circulation, instead of adding to it and hoarding.

REDEMPTION IN GOLD OR SILVER AT THE OPTION OF THE GOVERNMENT. Mr. Chairman, there is another particular wherein I must prefer the Senate bill to that of the House. It provides for the redemption of the United States Treasury notes in gold or silver at the option of

the Government. Unfortunately, as is admitted by all, when we resumed specie payments we allowed by practice the note holder to demand gold or silver at his option instead of the Government paying in gold or silver at its option. Under Mr. Hayes this was started. It was continued under Presidents Garfield and Arthur, and was the custom when the present Secretary, Mr. Carlisle, took charge. He found the Treasury bankrupt, the gold reserve running down, and hard times prevailing. He feared to change the custom in the midst of the panic lest he should increase the general distrust and intensify the panic. But the gold reserve will soon be more than one hundred and twenty-five millions. Every consideration admonishes us to change this practice. What private creditor owing a debt and having the option to pay in either of two commodities, say wheat or corn, tobacco or barley, iron or lead, gold or silver, would not exercise that right and pay in that commodity which suited his convenience? What court of equity commodity which suited his convenience? would not declare and enforce this right?

would not declare and enforce this right?
Our failure to exercise this option has cost millions, and will cost more if continued. How does it operate? Whenever a strong organization wants gold for speculation or shipment it has only to get greenbacks or Sherman notes issued on silver bullion, go to the Treasury, and drag it out. This forces a sale of bonds to get more gold. Whenever investors want more nontaxable United States bonds, whether to bank on or as a permanent investment, all they have to do is to get the green protes with they draw all they have to do is to gather up these notes, with them draw out the gold reserve, and they force the sale at which they propose to be the bidders. So this may go on as long as this greed for gold continues, or till the hunger for bonds is glutted. Meantime each sale of bonds puts more money not needed into the Treasury and thereby draws it from commerce, where it is badly needed.

DO NOT DESTROY GREENBACKS

As a remedy for this admitted evil we are told to issue five hundred millions of bonds and retire all the Treasury notes; to supplant a noninterest-bearing, taxable, circulating note with an interest-bearing, nontaxable, noncirculating bond. In other words, we are assured that if we will burn our barn we will rid ourselves

Sir, I am opposed to this. It would be ruinous to contract the currency by destroying between one-fourth and one-third of all in existence. Such a panic has not been seen as would ensue from a sudden contraction of this magnitude. There is a surer, speedier remedy. It is the one provided by the last section of the Senate bill, redeeming in either gold or silver, at the option of the Government. The French have this system, and it works perfectly. Their payment is made in gold or silver, or both, as the Government prefers. And so wisely have they managed their affairs that notwithstanding the heavy drain caused by the Franco-Prussian war, notwithstanding every man, woman, and child in France had to pay \$30 indemnity—\$1,000,000,000—to Germany, France came to the rescue of boastful England and saved her when Barings failed. The demand for specie and for sale of bonds would both cease if we exercised this option.

The bill was so drawn by the Committee on Ways and Means as to issue bonds, with them buy gold and redeem the greenbacks, and Sir, I am opposed to this. It would be ruinous to contract the

to issue bonds, with them buy gold and redeem the greenbacks, and then withhold the greenbacks from circulation by refusing to pay them out on the current demands of the Government. had been consummated a noninterest-bearing circulation would have been destroyed and interest-bearing, noncirculating bonds substituted instead. But this House took the same course on this subject taken by the last House and refused to do it. The com-

mittee was compelled to amend the bill regarding this.

FREE AND UNLIMITED COINAGE OF SILVER. Mr. Chairman, the most important question presented by the Senate substitute is the free and unlimited coinage of silver at the ratio of 16 to 1. The gentleman from Maine [Mr. DINGLEY] tells us that an excessive production of silver has been a potent factor in the demonetization of silver, and excuses it on this ground, but, unfortunately for his argument, he makes the confession that silver was at a premium over gold at the time it was demonetized by this country in 1873 and at the time it was demonetized by Germany. Hence, away with the argument that the abundance Germany. Hence, away with the argument that the abundance of silver caused this demonetization; away with the argument that there existed a necessity for it at the time it was done. Much has been said in this connection to prove that the demonetization by this country was not brought about by concealment, fraud, or deceit. I know, Mr. Chairman, that these things were charged all over the country at the time the demonetization was found out. From public platforms, from the hustings, from the halls of legislation, went out the charge that the crime had been surreptitiously committed. No man for years confessed here or elsewhere, so far as I know, that he had part or lot in that crucifixion. Never until within the last four years have I heard any man in Congress admit his part in it.

man in Congress admit his part in it.

Sir, in this connection I wish to say that I am not for gold monometallism or for silver monometallism. I am for bimetallism, in the broadest and truest sense of the word, for the concurrent use of the two metals, which would put each on a par with the

other. I do not propose in what I shall say to question the mo-tives of those who differ from me. I look at the question from a different standpoint, and come to a different conclusion from other gentlemen, and give the reasons why I can not join in the raid made on silver—the war of extermination begun in England in 1816, which was taken up by the United States in 1873, and about the same time in Germany, and later on by other countries of the world.

Mr. Chairman, the gentleman from Missouri [Mr. HALL] has called attention to the magnitude of the world's fiscal transactions, estimating them at \$150,000,000,000 annually. If this proves anything it proves that in the affairs of mankind a large amount of metallic money can be used. I have shown that the world's gold and silver is but little more than \$8,000,000,000. Does he not think that more than this could be used where the annual transactions are twenty times this? This only goes to show the extent to which

we might use money.

Sir, he and other gentlemen have dwelt at length upon the power of "confidence" in commerce. Nor do I underrate it. It is a strong element. But confidence goes when the panic comes. I beg him to remember that the more of our business there is done in cash the less room there is for ruin when the panic does come. Confidence may postpone a debt, but can not pay it. Confidence does not pay taxes.

COST OF MONOMETALLISM.

When the Latin Union met to guard against a deluge of silver oured into their mints after we demonstized silver, Belgium, poured into their mints after we demonetized silver, Belgium, Italy, and Switzerland wished to declare for a single gold standard; France resisted. France is one of those countries now resisting any agreement which discredits silver. Her action is explained by the fact that, with more silver than any other nation circulating at par among her people, a reduction in the ratio would result in a direct loss of just such proportion of their present circulation. Four billion dollars of silver in the world would, if a new ratio of 32 to 1 were agreed upon, destroy \$2,000,000,000 of value. of value.

France has come to the rescue of almost every other country financially during these breaking times.

It is variously estimated that the arts consume from 10 to 65 per

It is variously estimated that the arts consume from 10 to 65 per cent of the annual output of the precious metals.

But the world's production of gold and silver from the fatal year 1873 to 1895 was gold, \$2,526,834,000, and silver, \$2,754,542,900, both in coinage values. The commercial value of the silver was but \$2,151,474,700, but the coinage of the mints of the world was gold, \$3,404,703,469, and silver, \$2,756,423,015, or more than one-third more gold than was mined and more ounces of silver than were actually mined, and the recoinages of old coin is far from offsetting the demands for the arts.

Now, if silver of the commercial value of \$2,151,000,000 has been coined into \$2,756,000,000, why has not this been an addition to the world's wealth of \$600,000,000? Why will not the reduction of its value to its commercial basis destroy that wealth of six hundred millions? Why has not this legislation thus destroyed half

Why has not this legislation thus destroyed half the value of the present and future output of the silver mines of the world, and if legislation has destroyed this value that is more the world, and if legislation has destroyed this value that is more than a loss of one hundred millions per year, why should not legislation try to restore that value? If legislation is inoperative to affect these values, why hesitate to grant the relief asked? Why contest with such ferocity the indulgence of a harmless sentiment to a clamorous people? Why guard with so anxious restraint the appetite of the hungry? It is useless to cry; the viands in sight are but the illusions of the Barmecide. The agony is as real as that of Tantelus. that of Tantalus.

that of Tantalus.

Sir, the gentleman from Minnesota [Mr. Towne], to whom I am indebted, the gentleman from Mississippi [Mr. Williams], and other distinguished gentlemen have so ably presented the other phases of this question that I may be relieved in a great measure from what I would otherwise be very glad to undertake in connection with it. They have shown how it has affected prices, and they have accounted thereby for the reduction of prices; and I leave that field that has been sufficiently cultivated by them and others.

others.

Mr. Chairman, originally, in the use of gold and silver in exchange of commodities, or, as we usually term it, in the purchase of commodities, they weighed the metal. But subsequently it was found more convenient to have it put into forms, where the weight and fineness could be stamped on it by law, than for each trader to carry around with him his scales to ascertain its weight and his acids to fix its fineness. Hence, coinage laws became a convenience, and in the rapid transactions of a busy world the English pound and the American dollar became a necessity.

When two things are exchanged, the one for the other, it may

When two things are exchanged, the one for the other, it may be truly said the one buys the other. If A exchanges a horse with B for one hundred silver dollars, it is true that B has bought the horse with \$100 and A has bought the 100 silver dollars with the horse. If the world demands horses and there is a scarcity, the more dollars they will bring. If the world needs money and there is a scarcity, the more horses it takes to procure it, other things

being equal. Therefore the greater the scarcity of money the more horses it takes to buy or get the money needed, and the scarcity of money will be manifested in a fall of prices.

But there are other matters to which I wish to call attention, and I must hasten on. At this point, allow me to ask, Mr. Chairman, how much of my time remains?

man, how much of my time remains?

The CHAIRMAN. Three minutes.
Mr. McMILLIN. I shall be very much obliged if I can obtain at this point a little extension of my time—ten or fifteen minutes—until I can present one or two other phases of this question.

Mr. COX. I ask unanimous consent that the time of my colleague [Mr. McMillin] be extended.

The CHAIRMAN. Is there objection?
Mr. JOHNSON of North Dakota. I wish to inquire whether the granting of this request will prevent the gentleman from Minuscota [Mr. McClearN] from eccupying the hour from A ciclost.

nesota [Mr. McCleary] from occupying the hour from 4 o'clock till 5 o'clock

The CHAIRMAN. Under this arrangement the gentleman from Minnesota would be recognized at about a quarter after 4

Mr. McMILLIN. I shall try, and I think there will be no objection, to get an extension of the time for the recess, so that the gentleman from Minnesota may have his full hour.
The CHAIRMAN. Is there objection?

There was no objection.

CAN AMERICA MAINTAIN BIMETALLISM?

Mr. McMILLIN. Now, Mr. Chairman, I come to the question which I think is of the very essence of this discussion—the most important involved in it. That is, Can the United States establish and maintain free coinage at the ratio of 16 to 1? Sixteen times as much silver in a silver dollar as gold in a gold dollar.

Mr. Chairman, I realize that the greatest difficulty we have to encounter in advocating free and unlimited coinage of silver at that it is impossible for the United States to do this alone. If we could only convince the American people that there was no danger in this undertaking to our finances and industries I think we would have comparatively little difficulty in getting the restora-tion of silver. And in the presentation of this important question I hope to be able to show that the stock of gold and the stock of silver in the world are about equal in value, and that silver is already doing substantially one-half of the fiscal work that is done by coin in the world. I will show next that nearly two-fifths of all the coined money in the United States, United Kingdom, France,

Germany, Austria-Hungary, and Russia is silver.

I shall make an effort to show, in answer to those who charge to the over production of silver the decline in its value, that from 792 to 1840, when we had bimetallism, and even after that time, during the bimetallic period, there was a greater amount of silver produced by the world in proportion to gold than there was from 1874 to 1894, the period of demonetization of silver. I hope to be able to establish that the ratio of the production of silver to gold remained substantially uniform, varying from 15 to 1 and 16 to 1 for nearly two hundred years, and that this ratio of production and value did not materially change until after hostile legislation against silver

Sir, I will try in the next place to show that the power of the United States is such in commerce, in manufactures, in production, in transportation, in banking, and in everything that makes the people great that we can, if we will, restore silver to its original use.

STOCK OF GOLD AND SILVER IN THE WORLD

Sir, according to the Report of the Director of the Mint for 1893 the stock of gold in the world is \$4,086,800,000; the stock of silver in the world, legal tender and limited legar tender, is \$4,070,500,-The difference in value is therefore on the two metals only four-tenths of 1 per cent. Hence I may claim on this authority my first proposition that the two metals extant in the world are about equal in value and that silver is now doing one-half of the metallic work of commerce.

Sir, in the next place, let us see what part silver takes in commercial business in what are usually regarded as the principal commercial countries of the world.

The following table exhibits it, and shows that nearly two-fifths of the metallic circulation of these countries is silver.

	Gold.	Silver.
The United States The United Kingdom France Germany Austria-Hungary Russia.	\$618, 100, 000 580, 000, 000 850, 000, 000 625, 000, 000 140, 000, 000 480, 000, 000	\$416,700,000 113,400,000 487,900,000 215,000,000 204,000,000 590,000,000
Total	8, 293, 100, 000	1,967,000,000

THE RATIO OF SILVER AND GOLD.

Sir, the distinguished gentleman from Ohio, Senator Sherman, in a speech outside the Senate, when discussing the ratio between gold and silver, is credited with saying:

The enormous increase of the production of silver in the United States, Mexico, and Australia has disturbed this ratio and has lowered the market value of silver.

Sir, this is a most astounding proposition, and as it is the favor-ite basis for argument of those who hold to gold monometallism, let me compare it with the facts of the case as shown by Senate Report No. 256, page 163, Coinage Laws of the United States for 1793 to 1894. It will there be found that the production of the precious metals, gold and silver, in the world, coinage value, from 1792 to 1840 was, gold \$529,942,000, silver \$1,364,697,000.

Now, sir, let us take another period when hostile legislation had been enacted for the destruction of silver; from 1874 to 1894 the production by the world was, gold \$2,419,043,000, silver \$2,687,833,000. It will thus be seen that, while there was nearly three times as much silver coined from 1792 to 1840 as there was gold, the ratio of the two metals remained almost stationary, and at the time of the demonstization of silver by the United States it was 3 per cent higher than gold. But when the scheme of demonstization hostile to silver had been worked in 1874 the value of silver declined, notwithstanding there was nearly as much gold produced as there was silver. So, instead of the increase of production disturbing the ratio, as was claimed by Mr. Sherman, hostile legislation has disturbed it.

Mr. Chairman, I regard this as a very important branch of this discussion. I have therefore collated the statistics showing the ratio of silver to gold for over two hundred years. The first hundred years, from 1687 to 1787, the ratio was generally a little below 15 to 1. In each of those periods it was exactly 14.92. The following table shows the exact figures:

It fluctuated about that figure one hundred years.

KALIO ID—	Batio in-	
1800 15.68 to 1	1881	18.16 to 1
1820 15.62 to 1	1882	18.19 to 1
1840 15.62 to 1	1883	
1860 15,29 to 1	1884	18.57 to 1
1870 15.57 to 1	1885	19.41 to 1
1872 15.63 to 1	1886	
1873 15.92 to 1	1887	
1874 16.17 to 1	1888	
1875 16.59 to 1	1889	
1876 17.88 to 1	1890	19.76 to 1
1877 17.22 to 1	1891	
1878 17.94 to 1	1892	
1879 18.40 to 1	1893	
1880 18.05 to 1	1894	32.56 to 1

Now, sir, in all the researches that I have been able to make I fall to find any corresponding increase in the production of silver that would warrant this rapid decline in its price.

Mr. WILLIAMS. Will my friend pardon me in connection with that?

Mr. McMILLIN. With pleasure.
Mr. WILLIAMS. I should like to call my friend's attention to the fact that in the four years' interval of the greatest increase of silver production in the history of the world, from 1887 to 1891, there was an increase of \$49,000,000 only and that for the four there was an increase of \$49,000,000 only and that for the four years of the greatest increase in the production of gold in the history of the world, from 1849 to 1858, there was an increase by the enormous amount of \$128,000,000 in gold, and that at the time when the two metals were conjoined by legislative authority they did not part from the market ratio at 15½ to 1.

Mr. McMILLIN. The gentleman is entirely correct in that, and I thank him for his figures, for they certainly shed light upon the question. Yet, with that increase of forty-nine millions of silver, we are solemnly told that the United States can not take charge of the additional increase of silver that would be brought about by legislation favorable to silver.

POWER OF THE UNITED STATES

Mulhall says that, measured by the capacity to produce, measured by the capacity to accomplish, the power of the United States is about as great to-day as that of Great Britain, France, and Germany combined, and that, too, when, weakening them, they have 4,000,000 men in the field who are out of industrial pursuits—when it takes 1,000,000 of their able-bodied men to support those under arms. Now, what are the facts upon which this opinion is based? I will compare what France has done, and I hold that we bear a more potent relation to the world to-day than either France or the Latin Union, when France alone, or with that union, made coinage successful for so long a period at a less ratio than that at which the world produced silver and a less ratio than we propose to adopt now.

than we propose to adopt now.

Sir, it is claimed by some that it will be impossible for us to maintain bimetallism, even if we undertake it. In reply to this, I wish to say that France maintained bimetallism at the ratio of 151 to 1 from 1803 to 1873. During all that time, during all her

wars and strifes that characterized the period, whoever wanted gold carried silver to the French mints and obtained it; whoever wanted silver carried gold to the mints and obtained it. Her ratio was lower than our 16 to 1 ratio, lower than the Mexican ratio, lower than that of some of the coinage countries. Still there was not that flooding of the mints, there was not that driving away of what is fewered by many now.

gold that is feared by many now.

Mr. Chairman, I insist, and believe that I can show, that we are in far better condition for such an undertaking than France then We have a greater proportion of commerce than she had We have a greater proportion of the manufactures of the world than she had; a greater proportion of steam power than she had. Our agriculture bears a greater proportion to that of the whole world than hers did. Let us examine.

MANUFACTURES

In 1800 the world's product of manufactures amounted to \$12,-000,000,000. Of this France's manufactures were \$1,900,000,000, or about 16 per cent. But in 1888 she produced about \$2,425,000,000 worth out of the world's production of \$23,000,000,000 worth; only about 10 per cent. We may therefore take the period of 1870 as an average between these two.

Now, let us see how it is with the United States. In 1888 the total manufactures of the United States was \$7,215,000,000 worth, or 31 per cent of the world's entire product.

BAILWAYS

In 1870 the railway mileage of France was 9,770, out of the world's mileage of railways amounting to 128,235. It will thus be seen that France's proportion of the world's mileage was less than 8 per cent. In 1888 the world had in it 354,310 miles of railroad. The United States had 156,080 miles, which was 43 per cent of the entire mileage, and after equaling the mileage of all Europe our excess above Europe would more than circle the

BANKING GAPACITY.

But, Mr. Chairman, there is probably no better means of com-paring our capacity now to maintain free coinage with the capacity which France demonstrated for maintaining it for seventy ty which France demonstrated for maintaining it for seventy years than by comparing the banking capacity of the two countries in the two periods. In 1870 the world's banking power was in the neighborhood of \$8,000,000,000; that of France was only 4 per cent of this amount, or \$320,000,000. In 1890 the banking capacity of the world had doubled, and amounted to \$16,000,000,000,000, of which the United States contributed over \$5,000,000,000, or 32 per cent. If France could and did maintain coinage at 151 to 1 when her banking capacity was only 4 per cent of that of the world and there were \$30 worth of silver produced for every dollar of gold production, who will dare say that the United States, with one-third of all the banking power of the world in her borders, may not maintain free coinage, especially when the ratio of the production of silver to gold is as 16; to 1 instead of 32 to 1?

RAILWAY FREIGHTS.

But let us take another one of the elements of power or means

of gauging it and see how we compare with France.

In 1870 the railway freight of Europe was 400,000,000 tons; that of France was 52,000,000 tons, or 13 per cent. In 1888 the tonnage of Europe was 765,000,000 tons, it that of France 78,000,000 tons, or 13 per cent. In 1888 the tonnage of Europe was 765,000,000 tons, it that of France 78,000,000 tons, or nage of the United States was 590,000,000 tons, or more than seven times that of France and three-fourths as much as all Europe combined. But, Mr. Chairman, if it is insisted that we would more properly gauge our canacity by our water tonnage—that is. combined. But, Mr. Chairman, if it is insisted that we would more properly gauge our capacity by our water tonnage—that is, that portion of it which is carried on canals and rivers—we are equally safe in comparison with France. In 1870 the tonnage of France was 14,500,000 tons, and 24,500,000 tons in 1885. The tonnage of the United States in 1885 was 51,000,000, or double that of France. The canal and river mileage of France is 7,790 miles; of that of the United States is more than 51,000 miles, or three-tenths of all the mileage of that character on the globe. I have left out of this computation what is probably the greatest element of our water-carrying trade, to wit, the carrying on the Great Lakes.

COMMERCE

Mr. Chairman, I think it is safe in making a computation of this kind to look to the commerce of the two countries in that broader sense which implies the foreign carrying trade. Let us see how we stand there by comparing exports and imports. In 1870 the exports and imports of the world were \$11,000,000,000. Those of France were \$1,100,000,000. In 1889 the world's total was about \$17,000,000,000. The total of the United States was \$1,600,000,000, or one-tenth. I think it not at all unsafe to say that the comparison would be still more in our favor if we could get all the data showing the internal commerce of the United States, transactions between the States, and citizens.

That great statistician, Mr. Mulhall, on beholding this wonderful advancement, wrote to the North American Review in 1825:

If we take a survey of mankind in ancient or modern times as regards the

If we take a survey of mankind in ancient or modern times as regards the hysical, mechanical, and intellectual force of nations, we find nothing to compare with the United States in this present year of 1805. The physical

nd mechanical power which has enabled the community of woodcutters and farmers to become in less than one hundred years the greatest ration in he world, is the aggregate of the strong arms of men and women aided by orse power, machinery, and steam power applied to the useful arts and tiences of everyday life.

STEAM POWER.

In 1870, according to this wonderful man, the steam power of the world was 18,460,000 horsepower. That of France was 1,850,000 horsepower, only about 10 per cent of the entire amount. But in 1888 the total of the world had risen to 50,150,000 horsepower, of which the United States held 14,400,000 horsepower, or more than 28 per cent. It would be safe to say that to-day we have this capacity in almost a greater degree than was held by the entire world in 1870, upon which Mulhall is moved to say:

Here was seen that the United States possesses almost as much energy as treat Britain, Germany, and France collectively.

In 1895 this had risen to 16,940,000 horsepower. We have so much more railroad mileage than the balance of the world that we could parallel with our lines every other road in the world and have enough left to put a railroad around the earth, having 3,000 miles to spare.

We carry more railroad freight than all the world besides.

LET US BANISH TIMIDITY.

To those timid statesmen who fear to move unless England will give them permission, I desire to say that England nover has been essential to the success of bimetallism, and she is not to-day. She demonetized silver in 1816, and for more than half a century the balance of the world utterly ignored her and kept up bimetallism. Despite her by this judicious use of both metals they had silver at a premium when it was demonstrated in 1873. Hence my assertion that she is not essential to the success of bimetallism. the more nations adopt it the easier it is to accomplish it. national bimetallism is much to be desired if it is obtainable, but I do not believe that with the power I have described we should adhere to gold monometallism as our permanent policy. I am told by some that gold monometallism is bound to succeed; but this is no argument with me so long as I believe as I do now that it ought not to succeed. The right is on the side of the use of both mother and on that it ought not to succeed. metals, and on that side I take my stand whatever be the final

Sir, my distinguished friend from Maine protests that he is a bimetallist. If he is really and genuinely one, why does he not propose some measure looking in that direction? His party has trol of this House; it has the organization of the Senate. and his compatriots were wont to stand up here and urge upon us during the last Congress affirmative legislation. Now that he is weighted with the responsibility of legislation, why does he sit supinely by and proclaim to the country that, while he is for bi-metallism, he is for nonaction? Why not do something? Why not e something? Why not find a thread that shall lead out of propose something? Why not find a thread that shall lead out of this labyrinth of woss into which his party during the last Administration plunged us? If he means by international bimetallism to wait until England proposes something, he will be gray and decrepit with age before the rainbow that he is chasing is ever

rer to him

As well might our colonial fathers have sat down around Boston Bay and waited for England to cease her oppression, to remit her taxes, to release our citizens, and to give us justice, as for us to sit now in these Halls folding our arms, shutting up our eyes, and implore that great country to desist from the half a century of grinding and oppression that has characterized her fiscal policy. I beg him in this connection to remember that there is no circumstance that can induce England to take this course. Her premiers uniformly proclaim that the balance of the world owes England many billions of dollars which annually bear many millions of interest, and the value of which would be reduced if the world returned to the bimetallism in which most of its debts were contracted. The English people have ever manifested an indisposition to give home rule to Ireland, but the gentleman from Maine will remember that she was willing to take Gladstone and Irish home rule, coupled with monometallism, rather than to risk the present status and bimetallism under Balfour and his followers.

We are asked to take no stand on this important question. It is demanded of us that we shall wait. As we led out among the first outside of England in the work of demonetization, is it not fitting that, as we all confess the error of that way, even the gentleman from Maine himself, that we should be the first to make known our sentiments, to preclaim bimetallism and practically inaugurate it? The gentleman from Maine has told us, which we

knew before, that the prime minister of France has announced his willingness to join in the movement for the restoration of bimetallism in the great powers of the world.

Why not trust France now as we had to trust her in 1776? Why not help her now as she helped us then? Is it possible that the American people have degenerated and have less spirit than they

had in days gone by, when we were only three millions and a half strong? Weak, apparently helpless and defenseless, at the arrest of our fathers and goaded by unjust taxation, our representatives assembled in Independence Hall on the 4th of July, 1776. There that great Virginian stood, with the most immortal declaration that was ever made in his hand, and proclaimed his readiness to die in defense of those principles. We defied England and her power then, and although it took eight years to do it, we established our independence and set the pace of the world in the march of progress and in the science of free government.

Later on, in 1812, although England did not dare to invade our homes, relying on her superb and incomparable navy and its great prowess, she asserted the right to search our ships and seize our seamen on the high seas.

Although we were still weak and feeble, again the spirit of '76 was in our fathers, and they inaugurated the war which was to emancipate the seas as Washington had emancipated the land. This Capitol went up in smoke: the White House, at the other end of the Avenue, was reduced to askes. Ruin stalked abroad throughout the East, but the great Jackson, at New Orleans, gave the mother country the worst whipping she has had in modern times, and we threw off from our shoulders the "old man of the

Nor was this all. In 1823, when monarchy and despotism were anxious to stop the inroads made upon their power and extend their conquests to this new continent, President Monroe called in counsel the great author of the Declaration of Independence as to whether, when only ten and a half millions strong, we should defy the whole world and establish what is now known as the Monroe doctrine. Jefferson began his reply to what he regarded the most important question which had been contemplated since the Declaration of Independence, and said that we should make haste to proclaim, first, that we would take no part in the broils of Europe, and second, that no European power should, either by accession, purchase, or conquest, extend its territory on this continent.

Again American manhood was asserted and American principles

prevailed. Now that we are seventy millions strong. Mr. Chairman, and have seventy billions of wealth, is it possible that we are going to falter? Can it be that we are going to cringe and cower in the performance of what is right? For one, I am for the same holdness in declaration and action that characterized our sires, and I am in favor of proclaiming to the world, as they did, the correct principles, whether to be successful or unsuccessful, and try the experiment of the free and unlimited coinage of silver, with the concurrent use of both gold and silver, in which lies our only road to permanent prosperity.

Mr. Chairman, Mulhall says that the power of the United States to-day is three times what it was in 1860; and yet one hundred and fifty days after the war commenced, and during the whole war between the States, there was not an outside power on this earth that could have whipped either the Federal or the Confedearth that could have whipped either the Federal of the Confederate army, except the Federal force itself, and that took three years. If we are three times greater to-day, what may we not do? If we will wake up, if the slumbering giant will break the threads by which it has been bound and will go forth and declare the American doctrine, that as silver is produced at 16 to 1, as it has been maintained at 16 to 1, as the debts existing have been contracted at 16 to 1, we will have the courage to do justice to ourselves by adopting free coinage at 16 to 1, and give true, genuine bimetallism to the world, and thus set the pace in finance as we set the pace in freedom. [Applause.]

Free Coinage of Silver-No Further Issue of Bonds.

SPEECH

HON. HENRY W. OGDEN. OF LOUISIANA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, February 11, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. OGDEN said:

Mr. CHAIRMAN: I favor the free and unlimited coinage of silver at the ratio of 16 to 1 by the United States, independent of the action of any foreign country whatever. I am utterly opposed to the issue of bonds in the time of peace, by which the indebtedness of this country is increased. Sir, in the short space of time allotted to me, an exhaustive discussion of the question is mani-

festly impossible. I shall, however, endeavor to suggest some points that may be of interest to all.

I will allude first to the oft-reiterated statement which seems to be the main bulwark and support of some of those who are opposed to free silver; the statement with regard to the amount of the free coinage of silver in the United States prior to 1873.

It is a favorite statement of many who oppose the opening of the mints to the free coinage of silver that prior to 1873 there were only eight millions of silver dollars coined in the United States.

States.

Mr. Chairman, anyone acquainted with the true facts should hide his head in shame for attempting before an intelligent audience, and much more so before the whole American people, to use such a statement as an argument for his opposition to the free coinage of silver. As a matter of fact, sir, there were only 8,000,-000 of silver dollars coined in this country prior to 1873; but when a witness goes upon the stand in any court he is required to tell the truth, the whole truth, and nothing but the truth, and is not at liberty to withhold any facts concerning the matter in question. Now, why do not these gentlemen, who volunteer as witnesses on this question, tell the whole truth? They tell us that only 8,000,000 silver dollars were coined prior to 1873. This statement is true; but they do not tell us, Mr. Chairman, that prior to 1853 all of our silver coinage, whether it was a dollar, or 50 cents, or 25 cents, or even as small as 10 cents, was legal-tender money in the United States.

The coinage of silver from the time of the opening of the mints in 1792 to 1846 was \$09,074,427.

What was the coinage of gold during the same period? It was

What was the coinage of gold during the same period? It was only \$52,560,852.

only \$52,560,852.

The coinage of silver from 1792 to 1846 exceeded the coinage of gold by over \$16,000,000, and the total amount of silver coined from 1792 to 1873 was, in round numbers, \$147,491,000.

Now, Mr. Chairman, if one were disposed to indulge in misleading statements similar to those used by gentlemen on the opposing side of the question, and should state that there were only 19,000,000 of gold dollars coined prior to 1873, which is literally true, and to rest the statement there, what would any person acquainted with the true facts think of such an argument? The real truth is, Mr. Chairman, that in the same period there was a total gold coinage of \$852,114,000. Unlike these gentlemen, I wish the whole truth to be presented, in order that each and every fair-minded, thinking person may judge for himself the true situation.

I present here some figures showing the relative amounts of the coinage of gold and silver:

Amount of gold coined from 1792 to 1846	\$52,560,000
Amount of silver coined from 1792 to 1846	
Amount of gold coined from 1834 to 1846	40, 534, 000
Amount of silver coined from 1834 to 1846	32, 797, 000
Amount of gold coined from 1873 to 1893	-800, 891, 000
Amount of silver coined from 1873 to 1893	
Coinage of gold from 1792 to 1893	1,653,000,000
Coinage of silver from 1792 to 1893	

The gentleman from Tennessee [Mr. Patterson] tells us that silver was driven out of the country by the act of 1834. As will be seen from the table submitted, the coinage of silver from 1792 to 1846 was \$69,074,000, this amount being full legal tender for all debts, public and private. In addition to this, the silver dollar of Mexico and the pillar dollar of Brazil were also legal tender at their face value. The 5-franc piece of France was legal tender at 98 cents. Large quantities of this coinage were in circulation, but the exact amount is not known. In order to prove that silver was not driven out of the country by the passage of the law of 1834 I will insert here tables showing the silver coin and bullion and gold coin and bullion imported into and exported from the United States from the year 1838 to 1847.

Value of silver coin and bullion imported into and exported from the United States. Ascal years 1838-1847.

Year ended-	Imports.	Exports.
September 30, 1898	\$6,072,233 4,430,506 5,797,636 8,719,184 8,359,722 5,353,996 4,317,125 8,251,392 2,867,319 2,546,358	\$2,767,78 5,884,43 6,943,71 9,190,94 3,679,53 1,220,53 4,271,00 6,385,51 2,275,92 961,72
Total	41, 485, 483	43,566,200

Value of gold coin and bullion imported into and exported from the United States, Ascal years 1838-1847.

Year ended—	Imports.	Exports.
September 30, 1838	\$11,674,883 1,164,580 3,065,157 1,209,449 757,294 17,006,497 1,613,304 818,850 210,413 21,574,931	\$740, 269 2, 892, 310 1, 468, 300 1, 134, 022 300, 256 1, 183, 116 2, 210, 979 1, 629, 348 975, 301
Total	80, 935, 296	18, 377, 200

From 1792 to 1834 the coinage of gold was \$12,000,000, and of silver\$32,000,000. Under the operations of the United States banking system nearly all metallic money went into hiding, but was brought into sight again after the repeal of the charter of the United States Bank. As shown by the table submitted above, there was a difference only of about \$2,000,000 in the imports and exports of silver by the United States from 1838 to 1846. The excess of imports of gold over exports from 1838 to 1846 was about \$46,000,000, of which \$40,000,000 was coined and went into circulation—went into circulation concurrently with silver, and both were legal tender in unlimited quantities.

were legal tender in unlimited quantities.

From these statements it will be seen that gold and silver were coined and circulated concurrently.

Mr. Reed, in discussing the theory of the metallic standard, on August 26, 1893, said:

Bimetallism by a single nation does not seem possible; bimetallism by all the nations of the world seems to me not only possible, but feasible.

You do not have to indulge in any farfetched theories to understand this. You do not have to discuss the theory of the freeham law at all. All you have to do is to apply yourself to the history of the United States; and the speech of the gentleman from Tennessee [Mr. Patterson], a brave and admirable speech, shows conclusively that this country while it was pretending to be bimetallic in its standard was never really so; that one metal drove the other out of the country; that the standard was not possible of maintenance as long as there was an overvaluation.

Thus we see that Mr. REED gives his unqualified indorsement to these erroneous statements made by the gentleman from Tennessee [Mr. Patterson]. It can be said that each of the gentlemen is proud of the indorsement of the other.

Mr. Patterson also speaks of the increase of wealth from 1850 to 1860. His figures are correct and will not be disputed by anyone familiar with the statistics given by him. He gives the increase of wealth at about \$9,223,000,000 in round numbers. The coinage of gold and silver during the period was \$393,000,000. It was principally a gold coinage, because the mines of California had been discovered and many millions annually were added to our supply of circulating medium and to the world's stock of primary money. But our fathers did not demonetize silver during that time. They continued the coinage of both gold and silver, and then began the exportation, not of the silver coined by our Government, but of the bullion, which bore a greater value. The discovery of the gold mines during that period made us a rich people. We opened up trade with all the world. Our ships sailed the seas laden with American products, and the Stars and Stripes

Government, but of the bullion, which bore a greater value. The discovery of the gold mines during that period made us a rich people. We opened up trade with all the world. Our ships sailed the seas laden with American products, and the Stars and Stripes were known and respected all over the world.

Our commerce was second to Great Britain only. From 1951 to 1960 we exported the enormous sum of \$423,580,000 of silver bullion, as shown by the Report of the Director of the Mint for 1895, page 295. It was not exported at 50 cents on the dollar. It was not discredited in the eyes of the nations of the earth. We did not say it was only worth 50 cents on the dollar. Its value had not been destroyed by adverse legislation—it had not been outlawed by our own lawmakers. No, Mr. Chairman, nothing of the kind. The good policy of the fathers of the Constitution was continued. The mints were open to all who had gold or silver bullion to coin. We exported this \$423,000,000 in ten years and, during this unexampled period of prosperity, were indebted to the exportation of silver to pay our balances abroad.

I suppose that, under the latter-day statesmanship we are now treated to, our mints would have been closed in 1850—after the discovery of gold. Instead of having \$423,000,000 to our credit, they would have discredited the white metal and would have taken from the people of this country the power to develop our commerce with other countries and to buy and sell, using both gold and silver at its coinage value. They would have discredited this silver—would have proclaimed to the world that we were coining silver worth only 50 cents on the dollar.

The gentleman from Tennessee seems to have an idea that the gold standard caused our prosperity during the period from 1850 to 1860. Mr. Chairman, this \$423,000,000 of silver was shipped

aproad during that period, and we got dollar for dollar for it. He may, if it pleases him, call it being on the gold standard, but we did not discredit our silver at that time. What was the cause of this prosperity and of this tremendous increase in values from 1850 to 1860? It was because of the united value of our gold and silver, which stimulated all other productions and furnished home

silver, which sumulated all other productions and furnished home capital to embark in great enterprises. We had not become a nation of borrowers, and the country was free from debt.

Now, Mr. Chairman, the people of this country have been unfairly dealt with on the silver question by every Secretary of the Treasury and by every President since 1868. I will quote from reports of the various Secretaries of the Treasury to prove this statement. From 1792 to 1873 any holder of gold or silver or cit. reports of the various Secretaries of the Treasury to prove this statement. From 1792 to 1873 any holder of gold or silver, or silver bullion, could have had the same coined at the mints of the country in unlimited quantities, the ratio from 1834 to 1873 being 16 to 1. By the act of 1873 the coinage of silver, except for subsidiary coinage, ceased. This did not become immediately known to the people of the country, as the country had not been on a specie basis since 1860. The bonds of the Government issued for general purposes, amounting to hundreds of millions of dollars, were payable in legal tender and afterwards were made payable in coin. In speaking of this subject, the Hon. Lot M. Morrill, Secretary of the Treasury, in his report dated December 4, 1876, says as follows:

the Treasury, in his report dated December 4, 1876, says as follows:

The report of the Director of the Mint shows that, notwithstanding the silver dollar occupied in law prior to April 1, 1873, the position of an unlimited legal tender, gold has, for many years past, been the money of payment in this country.

It appears that but a comparatively small sum in silver dollar, pieces was ever coined, and that it at no time constituted an appreciable part of the circulation. This was due to the fact that silver was more valuable as bullion than its stamped or legal-tender value in the form of dollars. Since the fall of silver propositions for the revival of the silver dollar have been made, and the position which it would occupy with reference to unexpired coin obligations, should its coinage with unlimited tender be again authorized, has been the subject of considerable discussion.

The question whether the pledged faith of the United States to pay its obligations in coin would justify their payment in the silver dollar is of no small importance as affecting public securities of the United States. In any discussion of the question it must be conceded in the outset that the silver dollar was the unit of value, having the quality of legal tender for all sums and all cases, and that the terms of the United States obligations do not exclude payment therein, and that the act of 1800, in which is the pledge of payment in coin, does not, in terms, discriminate against silver. These provisions are broad enough, in terms, to include payment in either gold or silver, and complete an inquiry into the history, production, issue, and subsequent treatment of these obligations, and the relative condition of gold and silver coin as money of payment in order to a correct interpretation of the meaning of the language "payment to be made in coin."

President Hayes, in his message to Congress dated December 3,

President Hayes, in his message to Congress dated December 3, 1877, used the following language:

I respectfully recommend to Congress that in any legislation providing for a silver coinage, and imparting to it the equality of legal tender, there be impressed upon the measure a firm provision exempting the public debt heretofore issued and now outstanding from payment, either of principal or interest, in any coinage of less commercial value than the present gold coinage of the country.

It is a fair inference, as shown by the above extract, that he favored the payment in one kind of money to the bondholder, which money he evidently deemed better than that used by the common people. The answer to this recommendation was the passage of the Bland-Allison Act by a Democratic Congress in 1878 over President Hayes's veto. This act restored the unlimited legal-tender power of the silver dollar for payment of all debts, both

public and private.

The report of the Secretary of the Treasury of December 4, 1882, gives the amount of standard silver dollars coined up to November 1, 1882, coupled with the recommendation for the repeal of the law and the retirement of all silver certificates at an early date. From report of the Secretary of the Treasury December 4, 1882:

Standard silver dollars and silver certificates.

There had been coined, on November 1, 1882, under the act of February 28, 1878. of standard silver dollars There were in the Treasury at that date.	\$128, 329, 880
And in circulation. There were in circulation November 1, 1881, about	85, 383, 786 34, 000, 000
Increase	1 383 786

I refer for a more full discussion of this subject to my report of last year, and repeat my recommendation that the provision for the coinage of a fixed amount of standard silver dollars each month be repealed and the Department be authorised to coin only so much as will be necessary to supply the demand.

The recommendation is renewed for the repeal of the act requiring the sue of silver certificates and for a law authorizing measures for their early strement from circulation.

The international monetary conference met in April last, on the day to hich it had adjourned, and adjourned again sine die. It is not understood at it effected any important practical result.

President Arthur, in his message of December 6, 1881, said:

I approve the recommendation of the Secretary of the Treasury that provision be made for the early retirement of silver certificates, and that the set requiring their issue be repealed. They were issued in pursuance of the

policy of the Government to maintain silver at or near the gold standard and were accordingly made receivable for all customs, taxes, and public dues. About sixty-six millions of them are now outstanding. They form an unnecessary addition to the paper currency, a sufficient amount of which may be readily supplied by the national banks.

In his message of December 4, 1882, President Arthur also said:

In respect to the coinage of silver dollars and the retirement of silver cer-tificates. I have seen nothing to alter, but much to confirm, the sentiments to which I gave expression last year.

The Secretary of the Treasury, in his report of December 1, 1884,

While, however, the public debt is in this satisfactory condition, there are some financial dangers which can only be avoided by changes in our financial legislation. The most imminent of these dangers, and the only one to which I now ask the attention of Congress, arises from the continued coinage of silver and the increasing representation of it by silver certificates.

President Cleveland, in his message of December 8, 1885, said:

I recommend the suspension of the compulsory coinage of silver dollars, directed by the law passed in February, 1878.

President Cleveland also said, in his message of December 3,

At the close of the fiscal year ended June 30, 1887, there had been coined under the compulsory silver coinage act \$236,988,290 in silver dollars, \$55,504,-319 of which were in the hands of the people.

On the 30th day of June, 1888, there had been coined \$390,708,790, and of this \$55,299,308 was in circulation in coir and \$200,387,378 in silver certificates, for the redemption of which silver dollars to that amount were held by the Government.

the redemption of which safet datasets (\$12,570,990 had been coined; \$60,790,990 of the 30th day of November, 1888, \$312,570,990 had been coined; \$60,790,990 of the silver dollars were in actual circulation, and \$234,438,346 in certificates. The Secretary recommends the suspension of the further coinage of silver, and in such recommendation I earnestly concur.

The Secretary of the Treasury, in his report of December 7, 1885,

Currency reform is first in the order of importance and of time, and fitly precedes other reforms, even taxation reform, because it will facilitate all other reforms, and because it can not safely be deferred. The coinage act of 1878 is overloading the mints with unissued, the subtreasuries with returned silver dollars, and will unavoidably convert the funds of the Treasury into those depreciated and depreciating coins.

The Secretary of the Treasury, in his report of December, 1889.

The continued coinage of the silver dollar at a constantly increasing monthly quota is a disturbing element in the otherwise excellent financial condition of the country, and a positive hindrance to any international agreement looking to the free coinage of both metals at a fixed ratio.

He also said:

It is freely admitted that the predictions of many of our wisest financiers as to when the safe limit of silver coinage would be reached have not been fulfilled, but it is believed that the principles on which their apprehensions were based are justified by the laws of trade and finance and by the universal experience of mankind. While many favorable causes have cooperated to postpone the evil effects which are sure to follow the excessive use of an overvalued coin, the danger none the less exists.

The silver dollar has been maintained at par with gold, the monetary unit, mainly by the provisions of law, which make it a full legal tender and its representative, the silver certificate, receivable for customs and other dues; but the vacuum created by the retirement of national-bank circulation, and the policy of the Government in not forcibly paying outsilver, but leaving its acceptance largely to the creditor, has materially aided its circulation.

I have thus fully shown that no President or Secretary of the Treasury has favored the free and unlimited coinage of silver and

Treasury has favored the free and unlimited coinage of silver and gold at the ratio of 16 to 1.

We have been told, Mr. Chairman, by those who oppose free and unlimited coinage that the remedy is through the medium of an international agreement. Since 1878 there have been three international conferences, at which the Governments of France, Germany, Great Britain, the United States, and other nations were represented. The result of those held in 1878 and 1885 can best be told in the language of the Secretary of the Treasury in his report of December 7, 1885:

The choice before Congress is not between silver monometallism and gold monometallism. Both are inadmissible. The choice before Congress is not between bimetallism and either gold or silver monometallism. The latter are not admissible, and bimetallism is only possible with the cooperation of other nations, which is not now to be had, for, aithough France holds the same friendly attitude, and would be followed by some of her associates of the Latin Union, England now, as in 1878 and 1881, is unwilling to depart from her mintage of gold alone into coins of unlimited legal tender, and Germany now, as in 1881, regards the concurrence of England in an international bimetallic union as a sine qua non.

The report of the Secretary of the Treasury, dated December 6, 1886, is more expressive:

Since the date of my last annual report the attitude of an important Government toward the silver question has been changed. The matter is of consequence, and requires detail.

Last December the results of our special mission to the Governments of France, Germany, and Great Britain had just been obtained, and were as follows:

The French Government remained of the same mind as when it had united with the Government of the United States in calling the International Monetary Conference of 1881. The German Government deemed the cooperation

of Great Britain in any change a sine qua non. The Government of Great Britain, administered by the same party and principal persons then as now, saw no reason to depart from the position held by that Government set the international monetary conferences of 1873 and 1881.

The position which the delegates of the British Government were instructed to take at each of those conferences had been adverse to the object sought by the United States. The object was the opening of the mints of the Government of the United States of America and of the leading European States to the free coinage of both gold and sliver into unlimited legal-tender money at a ratio fixed by international agreement.

Thus, at the International Monetary Conference of 1878 the British delegates had led M. Leon Say, the first French delegate, and a majority of the conferees to declare that silver, like gold, of course, must be kept a monetary metal, but each State or group of States must act for itself in the choice and the minting. An international ratio being pronounced undebatable, since the bimetallic States did not undertake an unlimited coinage of silver, the British delegates further declared their hope that every State would not prefer gold, while insisting upon Great Britain keeping to har own preference, and that a fixed ratio was "uttarly impracticable."

These declarations of course, frustrated the object of the United States in calling the International Monetary Conference of 1878.

During the next three years the powerful polemic of M. Henri Cornuschi revolutionized the opinion of leading man in Europe and terminated the dependence of France upon Great Britain, the following the great metallic powers, "was again the same—the opening of the United States in calling the next international monetary conference, held at Paris in 1881. The object of the United States, now approved by the invaluable concurrence of "the greatest amount of agroup of such powers to the free coinage of gold and silver at a ratio fixed by international angreem

SHALL THE UNITED STATES PROPOSE MORE CONFERENCES?

More conferences, further diplomatic correspondence, are proposed. I venture to think, with all due deforence to those who are responsible for a decision, that the time for another conference has not arrived and that the moment for diplomatic interference is not perfectly felicitous. Our information is recent and authentic, and is contained in the letters of our ministers accredited to Great Britain, France, and Germany, there published, and in the correspondence and action of the English Government, which are summarised above.

The continental powers await the action of Great Britain, whose reluctance defeated the object of both conferences called at the instance of the United States, and to whom again, almost within a twelvemonth, she has turned a deaf ear. If it suited the dignity of the United States again to besiege the attention of European States, or again to make advances where they have been so lately repulsed, it would not suit our interests to so do when it is certain that the inquiry upon which Great Britain has sudonly entered at the instance and insistence of her great dependency, India, and of her own accord, is entered upon with anexclusive regard to her own interests. And of Great Britain's interests the United States have no call to become advisers or guardians.

Thus, from the language of the able Secretary of the Treasury, we see that we were rebuffed by Great Britain. The Secretary, however, advises patience, insisting that time would bring about the much-desired end. His words were, "Stop, wait, negotiate." His advice was followed—we stopped, we waited, we negotiated. No international conference was called until 1892—a lapse of nearly ten years. The results obtained were as barren as those that marked its predecessors, Great Britain, as usual, blocking the way to any agreement whatever.

As showing the utter futility of any attempt to have Great Britain depart from the position she has taken with regard to the gold standard, attention is called to the correspondence herewith submitted:

EMBASSY OF THE UNITED STATES, London, May 29, 1895.

Sin: For transmission to your colleague, the Secretary of the Trassury, I have the honor to send, inclosed herewith, certain important correspondence, published to-day, between the chancellor of the exchequer and sundry leading bankers and financiers of London, in relation to a proposal for the reassembling of international delegates with a view to the establishment of a bimetallic standard of money and value.

I have the honor, etc.,

T. F. BAYARD.

Hon. EDWIN F. UHL, Acting Secretary of State.

[Inclosure from the Morning Post, Wednesday, May 29, 1895.] THE CURRENCY QUESTION-AN ADDRESS FROM THE CITY.

The Press Association states that a meeting of leading bankers and merchants of the city of London was held yesterday at Glyn's Bank, Lombard street, Mr. Bertram Currie presiding, when it was decided to form a gold-standard defense association, the chairman of the meeting being elected president, and a council, which included Lord Farrer and Lord Welby, was also elected. Lord Hillingdon was appointed treasurer and the Hon. George Peel secretary.

An address, as follows, had been forwarded to the chancellor of the exchequer:

" MAY 20, 1895.

"To the Right Honorable the Chancellor of the Exchequer:

"Sir: We, the undersigned merchants and bankers in the city of London sairs to address you in reference to the discussion which has taken place in arliament on the question of the currency. We have observed with regred as growing agitation in favor of what is called bimetallism, the more some this theory has obtained the support of persons of eminence and author

ity. As long as it was proposed to apply the bimetallic principle to foreign countries only we did not feel concerned to offer an opinion thereon, but we are constrained to state that we should view with grave apprehension any change in the system of currency which has prevailed without intermission in this country since 1816. The experience of nearly eighty years has convinced us that this system is in every respect suited to our wants, and that under it the commercial supremacy of Great Britain and the financial ascendency of London have been established and maintained.

"We believe that any serious attempt to modify it by the adoption of silver as a standard of value, either alone or concurrently with gold, would be followed by consequences dangarous to the trade and commerce of the country, and, further, that if it were possible that such a measure could not only become law but be made offective in practice, or should become law without becoming effective in practice, it would disturb contracts, in jure credit, check enterprise, and thus prove disastrons both to capitalists and to wage carners.

"We venture, therefore, to express our carnest hope that Her Majesty's Government will not only refuse their countenance to any change in our monetary system, but that they will avoid entanging proposals which might lead persons either abroad or at home to believe that England is pre wared to depart from the single gold standard, which is established by law and sanctioned by custom.

"Brown, Shipley & Co.; Dennision, Cross & Co.; Houre, Miller & Co., Kerleinwort, Sons & Co.; Houre, Miller & Co., Spread & Co.; Henry S. King & Co.; Robarts, Lubbock & Co.; Barclay & Co.; Glyn, Mills, Currie & Co.; Robarts, Lubbock & Co.; Barclay & Co.; Glyn, Mills, Currie & Co.; Robarts, Lubbock & Co.; Barclay & Co.; Glyn, Mills, Currie & Co.; Robarts, Lubbock & Co.; Sonson, & Co.; Henry S. King & Co.; Robarts, Lubbock & Co.; Sonson, & Co.; Henry S. King & Co.; Romany Dobree, director of London and Westminster Bank, Limited; E. Brodie

"TREASURY CHAMBERS, Whitehall, May 27, 1895.

The following reply was read from the chancellor of the exchequer:

"Treasury Channers, Whitchall, May 27, 1895.

"My Dear Bertham Currier: I have received with much satisfaction the address you have forwarded to me, which I recognize as bearing names among the most weighty which could be found to represent the judgment of the merchants and bankers of the city of London.

"I can have no hesitation in giving to that address on the part of Her Majesty's Government the reply which you have a right to expect.

"I may briefly recall to your recollection the history of the last International Monetary Conference, which was assembled in the year 1892.

"The Government of the United States had taken measures to promote a conference of the European powers in order to take into consideration the condition of silver, and expressed a wish to Her Majesty's Government that a ratio might be established by the leading nations for the coinage of silver at their several mints.

"My predecessor in office, Mr. Goschen, while assenting to an inquiry as to the possibility of an enlarged use of silver in the currency of nations, distinctly declined to accept the invitation couched in terms which involved the adoption of a bimetallic system.

"When the conference met at Brussels the bimetallic proposals brought forward by the delegates of the United States, owing to their generally unfavorable reception, were not pressed to a division.

"At the last session of the conference an adjournment was agreed to with a view of its reassembling after an interval of six months, in order to consider some agreement (if any such could be produced) which should not infringe in any way the fundamental principles of the monetary policies of the different countries. (Report of Brussels Conference, page 185.)

"It was recognized that there would be no advantage in calling the conference together again except for the purpose of the camination of practical and explicit proposals brought forward on the responsibility of one or more of the Governments there

Germany follows closely in the footsteps of Great Britain, and it is evident that her ministry will not take any further step look-ing to another monetary conference. Prince Hohenlohe as late as February 8 gave utterance to the following expression of opinion on the subject:

A monotary conference could not bring the question nearer to a practical solution, and therefore it appears undesirable that Germany should take the lead in summoning a conference. The federal governments, acting upon this conviction, have decided not to take further steps in pursuance of the resolution of the Reichstag of February 16, 1895. If, however, definite and acceptable proposals promising success were made on behalf of another State, I should duly consider the question of German representation at the conference.

So that it is utterly hopeless to expect any relief through the medium of international conference.

To illustrate this point more fully, I will relate some of the conversation I had about one year ago with an Englishman who was on a business trip to this country for the purpose of loaning about

versation I had about one year ago with an Englishman who was on a business trip to this country for the purpose of loaning about \$10,000,000, and which, he said, he had accomplished. Learning that I favored the free coinage of silver, independent of any action of any foreign government, he asked my reasons therefor. I briefly stated the great agricultural depression then existing in the country—the decline in the prices of products—and told him that this depression had now extended to all other interests and values in this country; that I believed that our country was powerful enough to maintain at home and abroad the value of any dollar—gold or silver—that might be coined by the Government of the United States.

I also told him that we possessed the most valuable gold and silver mines in the world; I alluded to the value of our internal commerce, and in a general way to the wealth and power of our country, and that it was to the interests of our people to change our present methods from the payment of gold alone. His answer was perfectly frank and candid. He said that he recognized the strength and power of the United States; that we were a wonderful people; that any metallic dollar, or its representative, to which the stamp or seal of the United States was affixed would be received as a good dollar not alone in this country, but by all the countries of the universe; and that if he was an American, like myself, he would also favor the free coinage of silver in the interests of America, and his only wonder was how any American could do otherwise.

"But," he said, "the interests of my country are not the interests of the United States." Continuing, he said: "Beginning nearly a century ago, we have adopted a policy of trade and finance that has gotten all the rest of the world in debt to us, and now," he exclaimed, "we collect \$1,000,000,000 annually in gold as the interest of the decline in the country was and the calcine."

nearly a century ago, we have adopted a policy of trade and mance that has gotten all the rest of the world in debt to us, and now," he exclaimed, "we collect \$1,000,000,000 annually in gold as the interest on that debt." Turning to me, he said: "Do you know what \$1,000,000,000 means? Have you any conception of such an amount of money?" I replied that it was a vast amount; that the average value of the entire cotton crop of the United States, as now measured in gold, amounted to \$250,000,000 annually, and that it would require the value of four cotton crops to equal it; that, counting the wheat crop of the United States at 400,000,000 bushels, sold at 623 cents per bushel, it would require the value of four crops of wheat to pay it; that, counting the net savings of each of the agriculturists of the country at \$100 annually, it would require the combined net earnings of 10,000,000 farmers to pay it; that, counting the net earnings of skilled wage earners at \$200 each, it would require the combined earnings of 5,000,000 skilled workers annually to pay it; and that counting the average of the combined output of the world's annual production of gold and silver at an average of \$250,000,000, it would require all the gold and silver produced in the world for four years to pay one year's interest.

Mr. Chairman, the condition of our country is a peculiar one. From a weak colony of 3,000,000 people, a little over a century ago, with not a settlement west of the Alleghany Mountains, we have taken possession of the fairest and most fruitful land under

ago, with not a settlement west of the Allegnary Mountains, we have taken possession of the fairest and most fruitful land under the sun, and have developed into the highest civilized, as well as the most powerful, nation of the earth. It is not my purpose to trace this wonderful development. It would seem that nature's storehouse has provided us with almost every product that would conduce to our comfort, and American brain and brawn have supplied the power that has transformed them into the nece ries and luxuries of life. Our natural resources are greater than those of any three nations of the world. Our mines of gold and silver, of iron and coal, of lead and copper, are inexhaustible. Our forests exceed in value and extent those of any other country. We grow four-fifths of the cotton to clothe and one-fourth of the

we grow four-fifths of the cotton to clothe and one-fourth of the wheat to feed the people of the world.

I read recently that one-third of the world's manufacturing is done and nearly half of the newspapers are published in the United States. We produce one-third of the world's supply of the precious metals, one-half its copper, over one-fourth its iron and steel. We have built nearly one-half the railroads, and by lakes and rivers have more miles of navigable water and products in over the complete of the world's resolution. lakes and rivers have more miles of navigable water than all Europe combined. The value of our agricultural products is over \$3,500,000,000 annually, and that of our manufactures over \$9,000,000,000,000, with over \$2,000,000,000 paid in wages to employees. Our internal trade is over \$20,000,000,000, and our estimated wealth is \$70,000,000,000, and increasing, according to Mulhall, at the rate of \$7,000,000 daily. We produce more grain than Great Britain, France, Germany, Austria, and Italy combined, and nearly as much meat as those countries. We transport double the amount of merchandise by rail than all the other nations of the earth collectively.

Our annual school expenditure exceeds that of Great Britain, France, Germany, Austria, and Italy combined. The telegraph lines that encircle the globe, climbing mountains, crossing deserts, and buried beneath the bosom of old ocean itself, is a tribute to American ingenuity and skill. The steel rails that encompass the earth and bring all the nations together in friendly and commercial intercourse mark the path of American pluck and American

enterprise. We fought the greatest war the world has ever known, whether measured by heroism displayed, by battles fought, by numbers engaged, by losses sustained, or by treasure spent. Our ingenuity devised new methods of warfare by land and by sea, and as a consequence the navies of the world had to be built anew. A reunited people, devoted to one flag and one country, with a population doubled and resources quadrupled since 1860, we could well nigh defy half the world in arms.

Yet, Mr. Chairman, notwithstanding all this greatness and all this glory and all this wealth, a little seagirt isle across the sea dictates her financial policy to this great Republic and to all the

Mr. Chairman, shall we longer pursue a policy which strengthens and builds up the already enormous money power of Great Britain, which appreciates the value of gold and decreases the value of all other products, or shall we declare for an American system of finance in the interest of the American people by opening up our mints to the free and unlimited coinage of both gold and silver and restoring prosperity to our distressed and longsuffering people?

But, even from the English point of view, there is another side to the question, as shown by the following extract from a paper read before the Society of Arts on January 19, 1893, by J. Barr

In a period like the present of widespread depression in trade and industry, and among the people generally, the question as to whether this can be traced to any special cause or causes is one of the highest importance. Numerous controversies have been and are being carried on as to these causes, and out of the conflicting masses of argument and fact, of error and confusion, there is gradually emerging the cardinal idea that the predominant cause is the appreciation that gold has undergone in the last twenty years.

While it would take too much space to enter into details regarding the practical effects of this appreciation of gold, it will auffice to give some indication of the enormous injury it has inflicted if it is stated that the transfer of wealth from the landed and propertied classes and from the mercantile, manufacturing, and producing classes generally in the United Kingdom to the holders of securities, mortgages, annuities, etc., can not be less than £2,060,000,000,000,000 so is even the securities are to receive the assistance of a continually contracting currency to enable them to go on absorbing further and further the wealth of the producing classes. If no other relief can be obtained it may be necessary to fix a commodity standard instead of a money standard for long-dated payments, as has been recommended by the principal econsists of the last hundred years. Such a colossal uncarned increment as has accrued to the holders of securities valued in gold during the last twenty years in Europe and the United States, amounting to not less than from £7,000,000,000 to £9,000,000,000, is entirely unparalleled in the history of the world, and all other public questions sink into utter insignificance compared with it. .

Thus it will be seen that the change in the system from the coinage of both metals on terms of equality since 1973 has caused a transfer of wealth from the agricultural and other classes in Great Britain to the bondholders and money lenders of £3,000,-000,000, or \$10,000,000,000.

They have copartners in the United States, according to Mr. Robinson's statement, and with Great Britain they are joint owners of this colossal unearned increment of from £7,000,000,000 to £9,000,000,000 annually, which he truthfully says is unparalleled in the history of the world, and all other questions sink into insignificance compared with it.

Eduard Suess, the eminent professor of geology at the University of Vienna, Austria, said:

Indebtedness in gold, especially when it rests on a silver land, manifestly rises from year to year with the divergence of values. While any economic gain due to the premium in the silver land is distributed among thousand of hands, in the figure of the interest, which is due in gold, the burden finds concentrated expression, and it increases with every fraction by which the ratio rises. Many astatesman of anhonestly tolling, upward striving land watches with anxiety this figure which withdraws from his country undeservedly and inexorably a part of the fruits of its industry and conveys to the bondholder uncarned and unexpected gain. The crises of recent times have furnished abundant examples in which the paying capacity of a debtor country was exceeded and a good part of the capital was lost along with the interest.

In speaking of the possible, and perhaps probable, division of the world governed by two different money standards, he argues that the final results would be disastrous to the gold lands, and that America holds the balance of power. I quote Professor Suess's words:

The more remote consequences, however, would be disastrous to the gold landa. In the great silver area, which comprises many States in need of money, there would occur, perhaps, at first inflation and irregularity. True, it must be confessed that even nowadays there are States with free-silver coinage and yet without too great inflation. In order to bind the metal more and more, fully covered cartificates would perhaps be issued instead of the partly covered notes. In any case the production of goods would make a great, perhaps too great, advance. In the gold area, too, there would at first be improvement, but soon there must ensue more and more contraction, fall of prices, injury to labor.

All obstacles now thrown in the way of commerce by tariffs would dwindle into insignificance compared to the barrier that would be erected by the partition of the earth into two solid areas of money standards.

As the silver area comprises all zones, all natural products, and, in the United States, also all industries, a great independent economic unit would

be constituted by the silver area. Exportation from the gold area would be rendered, and yet the gold would be dependent on the other for many products, as is proved by the balance of goods, already passive in a high degree even to-day, of Great Britain, Germany, and France. Silver capital would grow up in the silver area, and silver lands would borrow only silver capital. At the same time, however, in the whole silver area industry would continue, as hitherto, consuming gold. That is the "walling in of Europe."

Whether the United States will make this or some other choice is now not known, but in any case some deductions arise from the present situation. First of all, it is certain that Europe, in case of refussite enter into an international agreement, leaves America's hands free to enact measures whermone affairs of Europe herself.

Furthermore, it is certain that gold alone can never become the standard of the whole earth, but that, on the contrary, a time will come when it will be entirely absorbed by industry. Let us not forget Soetbeer's results, according to which the entire monetary stock of the earth is smaller by almost one-third than the production of the last forty years.

The great fall in prices in the past few years has been heaviest upon the farmers of the country. Over one-third of the people of the country are engaged in agriculture. They have been the first to feel the loss in the value of their products. The farmer has to contend with the cheap labor of India and Argentina in the production of cotton and wheat. Under the gold standard the price of cotton has fallen to about 6 cents a pound. An overproduction of the cotton crop of 1894-95 of about 1,000,000 bales caused the price to fall to about 5 cents per pound, the lowest price at which it was ever sold in the United States. It is estimated that the crop of 1895-96 will be 2,000,000 bales short of a normal supply for the uses of the world. It is estimated that \$,700,000 bales is the amount of American cotton needed for the world's consumption. Yet, with the crop of 1895-96 2,000,000 world's consumption. Yet, with the crop of 1803-96 2,000,000 bales short, the price to the farmer is about 7\frac{1}{2} cents a pound. Even the price received for a short crop of cotton is one-third

Even the price received for a short crop of cotton is one-third less than that received for an average crop ten years ago. Wages of labor in the cotton States brought about by the constantly decreasing price of cotton has fallen to 50 and 60 cents per day, and the laborer out of this sum has to board himself. Wheat has fallen in price at about the same ratio as cotton, and this decline in price has not been brought about by overproduction. No one can truthfully say that the farmers of this country are in a prosperous condition. By hard work they live, and by hard work only are they enabled to obtain the absolute necessaries of life. They are deprived of many of life's comforts and almost all of its luxuries. Their products are used by the nation at large in settling the gold balances due other countries.

Mr. Chairman, patriotic appeals go up from gentlemen on the other side of this question to save what they are pleased to call the honor and credit of the country, but what it really means is to save and make sure the increased and ever increasing unearned increment of the bondholder of this country and of Europe.

save and make sure the increased and ever increasing unearned increment of the bondholder of this country and of Europe.

Mr. Chairman, the system is wrong and it is sapping the lifeblood of the people, and year by year plunging them deeper and deeper into debt. How long can it last? The masses of the people of this country are utterly opposed to the sale of bonds now carried on by this so-called Democratic Administration, backed up by the immense Republican majority in this House. You have the power to stop this issue of bonds, even over the President's veto; if necessary, to compel the Secretary of the Treasury to use silver dollars, as well as gold dollars, in the redemption of greenbacks and Treasury notes. But you will not do it; you have taken your stand ury notes. But you will not do it; you have taken your stand like the President and Secretary of the Treasury and their followers—the money power of the land against the masses of the

people.

Mr. Chairman, the reason of the frequent changes in the political complexion of this House in the last few years can be written in two words, "hard times." Dissatisfaction prevailed all over the country with the results of the Republican Administration under Mr. Harrison, and a tidal wave swept it from power. Promises of relief were given by the Democratic party, but these promises failed to come up to public expectation. True, a tariff bill was passed that partially relieved the people of the unjust burdens placed upon them by long years of high-tariff legislation. But the main cause of the cankering disease of the body politic still remains. Previous to the advent of the present Executive into national political life, the voice of the gold bug was rarely ever heard in Democratic ranks. The declarations of our party were practically unanimous for righting the great wrong perpetrated by the act of 1873, and for restoring silver to its rightful place as a money metal in the coinage laws of the country. Legislation had reduced, almost destroyed, its value. Legislation had outlawed it as a money metal. That which was in the power of legislation to do was in the power of legislation to undo.

Legislation could withdraw the ban of outlawry; legislation could restore the value of silver by opening the mints to its free

could restore the value of silver by opening the mints to its free and unlimited coinage. That was the position of the Democratic party as proven by the action of a majority of its Senators and Representatives in every Congress, save one, since 1873. But in 1894 a Democratic Congress failed to do its duty—to pass a free-coinage bill—and give the people full measure of relief which had been promised for years. The voice of the cuckoo was heard in

Democratic councils-the vote of the cuckoo was mingled with Democratic councils—the vote of the cuckoo was mingled with that of our old Republican enemy. The great Democratic leader of tariff reform and the great Republican leader and defender of high protection smiled sweetly, one upon the other, and cooed together like turtle doves, and their votes were alike cast to issue more bonds—gold bonds.

What joy filled the heart of your great Republican leader in the divided councils of what should have been a united party is best shown by a few remarks made by him in the closing hours of the Fifty-third Congress.

He said:

Mr. Speaker, I am somewhat reluctant to address the House because my feelings are divided between two emotions. One is a feeling of regret for the Democratic party and its position; and the other is a feeling of equal regret for the country and its position.

I tell you when the people of this country get an opportunity to express their opinion of you, you will listen to it more intently than you are listening to me, and with sadder hearts than you have to-day even.

Not content with what you have done, you have threatened the people of this country with yourselves again. We shall not write your epitaph. That has been done by a nearer and dearer. That has been done by the man whose name must be affixed to this bill before it can disgrace the statute book. I wish I could congratulate the country upon something, with the departure of incompetency.

Those were brave words, Mr. Chairman, and proved to be prophetic ones. We all know the fate of old dog Tray when caught in bad company. Relief had not come through Democratic agencies. Thousands of disgusted Democrats refrained from going to the polls. The charge of incompetency rang through the land. Vainglorious and beasting Republicans proclaimed their ability, if once more granted power, to afford the long-promised relief. Another tidal wave was the result. The country believed your party, and 150 Republican majority in this House attests that belief, and now the eyes of the country are upon you. The people demand the fulfillment of your boastful promises.

Your leader, Mr. Reed, said in that same speech, on August 28, 1894:

We stand in a very peculiar position to-day. The representative of the Democratic party, just chosen President of the United States, finds himself powerless in his first great recommendation to his own party. Were he left to their tender mercies the country would witness the spectacle of the President of its choice overthrown by the party charged with the country's government. What wonder, then, that he appeals to the patriotism of another party whose patriotism has never been appealed to in vain.

What we were in our days of victory the same are we in our days of defeat—champions of true and solid finance. And when the time comes, as it surely will, for us to lead this land back to those paths of prosperity which were trodden under Republican rule for so many years, we shall take back our ancient glory, undimmed by adversity; our ancient honor, unsullied by defeat.

Mr. Chairman, the Republican party did stand in a peculiar position that day, and the peculiarity of the situation is that it stands in a very "peculiar position" to-day. According to Mr. REED's statement, a Democratic President is no longer left to the "tender mercies" of his own party, but is sheltered under the protecting wing of the 150 Republican majority of this House. On the financial question he is a Republican President, not ours. He is the champion of so-called sound money—so are you—which, read between the lines, signifies that you are alike the champions of the bondholders and money power of Great Britain and America. Mr. Chairman, the time has come for the Republican party to redeem its promises to lead this land back to those "paths of prosperity which were trodden under Republican rule for so many

redeem its promises to lead this land back to those "paths of prosperity which were trodden under Republican rule for so many years." The country is waiting—how fondly, how trustfully, how impatiently! "Yes; waiting, my darling, for thee." Waiting for you to clasp it gently by the hand and "lead" it back to paths of prosperity. If you can not find all the "paths," at least find one. Alas, poor country, it will hope and watch and wait in vain! The "do-nothing" policy prevails, and Republican incompetence and madness rule the hour. The country asks for relief, and your answer is, "Bonds; millions more of bonds." However, Mr. Chairman, it is some relief to know that this miserable bond bill—this little puling infant—which came from the loins of its Republican parent "into this breathing world scarce half made up," is passing—passing away. Its days are numbered, and it will soon be laid away to rest forever.

Handle it tenderly, touch it with care, Fashioned so slenderly, young and so fair.

A little stone should be erected to its memory and on it in-

SACRED TO THE MEMORY
OF OUR ANGELIC CHERUB, LITTLE DINGLEY BILL.
Born on the 35th day of December, A. D. 1895, at Washington, D. C., its life was short but eventful. Weak and lacking in vigor, scarce 10 days old, it was carried with a message of bonds to the eastern end of the Capitol, where it was cruelly assaulted by brutal Senators with silver clubs, and its young life taken away.
This stone is erected to its memory by its unfortunate parent, NELSON DINGLEY, and its loving foster parents, Grover Cleveland and THOMAS BRACKETT REED.

REQUIESCAT IN PACE.

Coin Redemption Fund.

SPEECH

HON. WILLIAM ELLIOTT,

OF SOUTH CAROLINA.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to most temporary deficiencies of revenue—

Mr. ELLIOTT of South Carolina said:

Mr. CHAIRMAN: I will vote against the Senate amendment, as I Mr. CHARMAN: I will vote against the Senate amendment, as I have voted against all propositions for the free coinage of silver in past years whenever the question came up on its merits. While it is, of course, true that the people of the district I have the honor to represent are much divided upon this question, yet a great majority of them are altogether opposed to any depreciation of any part of our currency. They have very bitter recollections of majority of them are altogether opposed to any depreciation of any part of our currency. They have very bitter recollections of the evils of a depreciated currency, and they insist that every dollar of our currency shall be kept of the same value as every other dollar of it. And I take occasion here to say, Mr. Chairman, in view of what has been said elsewhere, that they thoroughly indorse and approve the course of the President in the action which he has deemed it necessary to take for the preservation of the financial honor of the country. They indorse and approve all his steps thoroughly; and they do not believe that any President has ever surpassed him in his determination to uphold the honor of the country, and to protect in all respects the interests of the people. And I say this not only in behalf of the great majority of the people of my district, but as volcing the sentiment of thousands of people throughout the State who thoroughly uphold him in his course.

WHAT IS FREE COINAGE OF SILVER?

WHAT IS FREE COINAGE OF SILVER?

Let us inquire, then, Mr. Chairman, what substantially is the free and unlimited coinage of silver at the ratio of 16 to 1 as provided by the amendment of the Senate. It is a very different thing from the process by which the Government has for many years past been coining silver dollars, about 400,000,000 of which have entered into our currency and are in daily use by our people. This silver has been purchased by the Government at its regular market price and has been coined by the Government for itself and not for any private owner. These purchases by the Government have always been made within the limits prescribed by the acts of Congress, the first the act of 1878, which provided for the purchase by the Government and coinage during each month of not less than \$2,000,000 nor more than \$4,000,000 of silver, and the second the Sherman law of 1890, which required the purchase during each month of 4,500,000 onnees of silver bullion upon which Treasury notes should be issued by the Treasury.

The currency provided by these acts of Congress is full legal tender for the payment of all debts, public and private, and circulates around a consility with the rest of our currency whether

culates upon an equality with the rest of our currency, whether paper or metallic. It is a well-known fact that to-day, while the actual value of the silver in one of our silver dollars is less than actual value of the silver in one of our silver dollars is less than 50 cents, these dollars pass everywhere precisely the same as if their intrinsic value was 100 cents. This is due to two causes: First, that these silver dollars are received by the Government in payment of all dues and are maintained by the Government as of equal value with gold; and, second, that the coinage being limited by law to a certain amount, the Government is able to maintain silver upon a parity with gold. These purchases of silver were put an end to by the act of 1898, and to-day the Government makes no purchases of silver. The free and unlimited coinage of silver at the rate of 16 to 1 is altogether a different thing from the process we have been considering. we have been considering.

FIFTY-CENT DOLLARS.

If the Senate amendment becomes a law any person, from any country, can take to the mints of the United States silver in unlimited quantities, and have what is to-day but 50 cents' worth of allver coined into a dollar. This right is not limited to citizens of this country, nor is it limited to the silver product of this country, but it can be exercised by every person in the world, and the silver may be brought from all parts of the earth. There are to-day in the world over \$4,000,000,000 in silver, which is nowhere worth more than 50 cents on the dollar, and it will be readily seen that, if this bill becomes a law, and the owners of silver thereby become antitled to receive a dollar for every 50 cents of silver that they own, there will be a rush of all the above enormous amount of silver upon our mints for coinage. Can any sane person doubt that this will be the result? Where else can a man in one day and by one act double his possessions?

No one denies that the intrinsic value of a silver dollar is to-day

only 50 cents, nor does anyone deny that the owners of silver will be swift to avail themselves of such a splendid chance; in fact, the whole purpose of this bill is to enable the owners of silver to do this very thing—bring all their silver to the Government mint to be coined. We would no longer have a limited amount of silver this very thing—bring all their silver to the Government mint to be coined. We would no longer have a limited amount of silver dollars for which the Government would be responsible, as it is now, but there would be an unlimited amount of them coined, not for the benefit of the Government, but for the sole benefit of the owners of silver. Now, while I can readily see why the silvermine owners of the West should be exceedingly anxious to procure the passage of such a law, I fail to see of what advantage it would be to the other people of the country who are not silvermine owners.

mine owner

How will it benefit, for instance, the cotton growers of South Carolina to have the owner of silver get two prices for his product? If such a law were proposed to be passed for the benefit of the cotton growers of the South, undoubtedly they would be as eager to procure its passage as the producers of silver are to have this bill become a law. No doubt when the agitation for the free coinage of silver began years ago it was advocated solely by the comage of siver began years ago it was advocated solely by the silver-mine owners, but they soon were joined in the movement by a large number of people who had no such selfish interest, but who were then, and are now, acting under an honest conviction that free coinage of silver is absolutely necessary to the prosperity of the country, and the strength of the movement is indicated by the fact that the bill we are now considering has lately passed the senate.

FALL IN THE PRICE OF PRODUCTS.

The chief argument in behalf of the free coinage of silver is that, ever since silver was limited as to coinage by the United States in 1873, there has been a steady fall in the price of all products and that this fall was due to the alleged demonstration of silver. Of course this argument appeals very strongly to the agricultural producers of the South and West, and it is in those sections of the country that the measure finds its chief support.

PRICE OF COTTON.

Taking up the question of the fall of price in cotton, let us see what the facts are: The proposition is that as silver has fallen so cotton has fallen, and that cotton has fallen because silver has. If this were so, no one would be more swift to advocate this bill than I, if I thought it would bring relief to our farmers, remembering as I do that the cotton farmers of South Carolina last year produced 800,000 bales of cotton. But is it true that cotton has fallen just as silver has? Statistics show that in 1886, for example, silver was worth 99.4 cents per ounce and cotton was worth 9.44 cents a pound; while in January just passed silver was worth only 67 cents an ounce while cotton was worth 8.1 cents a pound. If the fall in the price of cotton was due to the fall in the price of silver, how is it that during the above period we see that cotton has fallen very little, while silver has lost about one-third its

Furthermore, we find from the tables which I will publish that during the four years following 1886 the average prices of cotton in New York were 10.25, 10.27, 10.71, and 11.53, while it is a notorious fact that during all those years silver continued to fall. If silver has carried cotton down with it, how is it possible that the price of cotton should have continued to rise while at the very same time the price of silver kept going down? Again, in 1895, cotton fell as low as 6.26 (average) in New York, but it has since risen to over 8, while there has been no rise whatever in silver. Cotton is now higher than it was for seven out of ten years commencing in 1841, during two of which years, 1842 and 1845, it sold as low as 5 cents in New York, and the average price in New York for 1845 was only 5.63. In New Orleans in the same year

Now, all this was, of course, long before the alleged demonetization of silver, and yet we see that cotton was then selling for very much less than it has brought since 1873. How is it possible to reconcile these facts with the theory that as silver has fallen in price, so has cotton fallen, and that the fall in the price of cotton is due

part of 1894 and the early part of 1895, the advocates of free coinage of silver everywhere claimed that this terrible depression was due solely to the demonetization of silver, and there is no doubt that a great many people were seriously impressed by this deplorable fact, and began to think that the advocates of free coinage were at last, perhaps, right. It was then loudly proclaimed by those who are now urging this bill that the demonetization of silver had raised the certain respectively. ver had ruined the cotton growers of the South, and that they would have to make up their minds to become accustomed to 5-cent cotton until the free coinage of silver should bring about

art of 1894 and the early part of 1895, the advocates of free coinge of silver everywhere claimed that this terrible depression was ue solely to the demonetization of silver, and there is no doubt hat a great many people were seriously impressed by this deplorable fact, and began to think that the advocates of free coinage error at last, perhaps, right. It was then loudly proclaimed by the fact that cotton has again been selling for 9 cents a pound. While silver remains at its lowest price the cotton growers of the South have had new life put into them by this wonderful rise in the price of cotton. Can any unprejudiced person now have a lingering doubt in his mind as to the fact that the legislation of 1873 has had nothing whatever to do with the fall in the price of cotton or any other product? If I were to take the time to examine into the statistics as to wheat it would be found that substantially the same condition of things exists as to the wheat market, but I will leave that matter to gentlemen more thoroughly familiar with that product. I will here insert some tables as to the price of cotton, furnished by the Agricultural Department:

Supply and consumption of cotton in the United States and Europe—surplus stocks and prices.

	Supply and consumption.								Pri	ces (mi	ddling v	pland)	per pour	nd.
Year.	OV.	United States. Europe. In New York.						rk.	In	Liverpo	ol.			
	Crops.	Con- sump- tion.	Exports.	Stocks (close of year).	Net weight of bales.	Imports, etc.	Consump-	Stocks (close of year).	Low- est.1	High- est.	Aver-	Low- est.	High- est.	Average.
					Pounds.				Centa,	Cents.	Centa.	Pence.	Pence.	Pence
1	1,634,964	207,288	1,313,500	72,479	394	2,000,000	1,848,000	761,090 807,009	1	114	9.50	51	61	5.
(3	1,683,574 2,378,875	325, 129	2,010,000	91, 488	409	2,812,000 3,210,000	2,005,000 2,155,000	1,055,000	5	104	7.85	81	51	4.
4	2,030,409	346, 750	1,629,500	159,773	412	3, 228, 000	2, 127, 000	1, 101, 000	64	81	7.73		5	4.
5	2, 394, 503	389,000	2, 083, 700	98, 420	415	3,575,000	2, 356, 000	1, 219, 000	51	61	5, 63	38	51	4.
Ø	2, 100, 537	422,600	1,666,700	107, 122	411	2,945,000	2, 333, 000	622,000	5 7	91	7.87	4	40	3.
	1,778,651	428,000	1,241,200	214, 837	431	2, 336, 000	1,745,000	591,000	84	131	11.21	40	73	4.
8	2,439,786	616,044	1,858,000	171, 468	417	2,744,000	2, 150, 000	585,000	6	13	8.08	8	45	6.
0	2,806,938	642, 485	2, 228, 000	154, 753	436	3, 123, 000	2,477,000	646,000	51	104	7.55	4	40	3.
0	2,363,718	613, 498	1,500,200	167, 930	429	3,075,000	2,451,000	624,000	10	13%	12.34	51	61	4. 7.
01	2 454 442	485, 614	1,988,710	128, 304	416	3, 207, 000	2,618,000	589,000	84	15	12.14	41	74	
00	2, 454, 442 3, 125, 310	689, 603	2,443,646	91, 176	428	3,844,000	3,112,000	732,000	81	114	9, 50	44	51	5.
13	3, 416, 214	803, 725	2,528,400	135, 643	438	3,837,000	3,013,000	824,000	91	112	11.02	50	61	5.
M	3,074,979	737, 236	2,319,148	135, 603	430	3, 884, 000	3, 116, 000	768,000	10	115	10.97	410	6	5.
55	2, 982, 634	706,417	2, 244, 200	143, 336	434	3,903,000	3, 316, 000	587,000	81	13	10.39	41	61	5.
56	3,655,557	777, 739	2,954,606	64, 171	420	4, 252, 000	3, 813, 000	439,000	9	114	10,30	51	61	6.
57	3,093,737	819,936	2, 252, 657	49, 258	444	3,810,000	3, 184, 000	626,000	114	153	13.51	51	9	7.
58	3, 257, 330	505,562	2,590,455	102,926	442	4, 181, 000	3, 624, 000	557,000	81	151	12, 23	611	71	6.
50	4,018,914	927,651	3,021,408	149, 237	447	4, 410, 000	3, 839, 000	571,000	11	135	12.08	611	71	6
00	4,861,292	978, 043	3, 774, 173	227, 708	461	5, 108, 000	4, 321, 000	782,000	104	111	11	51	71	5
61	3, 849, 469	843,740	8, 127, 568	83, 187	477	3,036,000	3,041,000	789,000	10	22	13.01	6) 12) 20	114	8.
68	14,500,000	1 370,000	044, 336	Nodata	477	2,427,000	1,993,000	368,000	20	514	31.29	121	114	18.
63	11,600,000	1 288, 000	10, 898	do	477	2,436,000	2, 146, 000	250,000	51	92	67.21	20	204	20
54	1 450, 000	1 220,000	27,058	do	477	3, 181, 000	2,588,000	563,000	68	189	101.50	214	314	27
W	1 300, 000	1345,000	24,787	do	477	3, 415, 000	3,055,000	347,000	35	182	83.38	13	26	19.
(11)	2,269,316	666, 100	1,554,684	283, 692	441	5,078,000	3,935,000	1,143,000	321	60	43.20	12	204	15
67	2,097,254	770,000	1,557,054	80,296	444	5,239,000	4, 147, 000	1,092,000	201	42	31.59	7½ 7½	151	10.
68	2,519,554	906, 636	1,655,816	37,398	445	5,218,000	4, 004, 000	614,000	15	355	24.85	75	128	10
(1)		926, 374	1,465,880	11,160	444	5,088,000	4,503,000	583,000	241	35	29.01	11	131	12
170	3, 122, 551	865, 160	2,206,480	65, 325	4.60	5, 146, 000	4,387,000	759,000	191	35	23.98	81	110	9.
The and see a see	4, 352, 317	1, 110, 196	3, 169, 009	144, 290	442	6,029,000	5,288,000	760,000	145	21	16,95	73	93	8.
	2, 974, 351	1, 237, 330	1,957,314	59, 287	443	6,517,000	5, 418, 000	1,099,000	189	261	20.48	91	114	10
10	3, 930, 508	1,201,127	2,679,986 2,840,981	104, 782	444	6,353,000	5, 302, 000	1,051,000	194	221	18.15	9	104	9
74	4, 170, 388	1, 305, 943		124, 795 74, 411	444	6,696,000	5,611,000	1,085,000	131	20%	17.00	8	98	8
75	4, 632, 313	1, 351, 870	2,684,700 3,234,244	130,041	444	6,569,000	5, 561, 000	1,048,000 911,000	144	171	15.00	7	8	1 7
76	4, 474, 069	1,428,013	3, 030, 835	130, 493	440	5, 781, 000	5, 128, 000	655, 609	101	144	13.00	51	71	6
77	4, 773, 865	1, 489, 023	8, 360, 254	45, 784	450	5, 571, 000	5, 058, 000	513,000	104	134	11.73	58	3 03	6
	5, 074, 155	1, 558, 329	3, 481, 004	65,948	447	5,938,000	5, 295, 000	644,000	81	134	10.83	47	63	6
80	5, 761, 252	1, 789, 978	3, 885, 003	141,418	454	6, 430, 000	5, 758, 000	671,000	104	131	12.09	67	21	8 6
81	6, 605, 750	1, 908, 937	4,589,346	218,043	460	6,954,000	6, 215, 000	739, 000	10	13	11.34	51	73	
80	5, 456, 048	1, 964, 535	3,582,628	124, 232	450	7,374,000	6,382,000	992,000	111				74	9 6
88	6, 249, 750	2, 073, 096	4, 766, 597	237, 117	470	7, 921, 000	6, 915, 000	1,007,000	10	12			63	2 5
84	5, 713, 200	1,876,683	3,916,581	116, 190	463	7,671,000	6, 675, 000	996,000	9	10			63	6
85	5, 706, 165	1, 758, 125	3,947,973	132, 421	460	6,647,000	5,881,000	816,000	9.1				- Gi	9 5
186	6,575,691	2, 162, 544	4,336,200	178,026	463	7, 333, 000	6,391,000	942,000	94	10			57	
87	6,565,087	2,111,532	4,445,300	86, 269	464	8,266,000	7,381,000	985,000	91	î			6	5
88	7,046,833	2, 257, 247	4,627,500	180,063	467	7,395,000	6,527,000	868, 000	94	ii			6	5
(89)	6, 938, 200	2, 314, 091	4, 742, 347	65,634	477	8, 433, 000	7,142,000	1, 291, 000	9	11		54 54 54	63	5
890	7, 811, 322	2,390,959	4,906,627	75, 195	478	8,949,000	7,565,000	1,384,000	10			5.1	61	
91	8, 652, 597	2,632,623	5,847,191	215,692	473	9,402,000	7, 455, 000	1,947,000	74			43	5	9
00	9, 635, 379	2,876,846	5, 933, 437	421, 104	473	8,635,099	6,382,000	2, 253, 000	61	8	7.64		41	8 4
93	6, 700, 365	2, 431, 134	4, 445, 336	237, 411	475	8,081,000	6,118,000	1,963,000	73	10	8.24		51	9 7
64	7,549,817	2, 319, 688	5, 287, 887	180,912	474	8,475,000	6,643,000	1, 832, 000	81	84			44	
95	19, 476, 435	2, 704, 153	6,614,619	405, 519		29,387,000	6, 903, 000	2, 484, 000	1 20	7	6.26	03	FI 33	

¹ Estimate of Department of Agriculture; all other figures for 1895 are to July 1.

² The figures for 1895 are estimates by Thomas Ellison.

CAUSE OF THE PALL IN PRICES

There is no doubt whatever that, as a general thing, farm prod-There is no doubt whatever that, as a general thing, farm products have fallen in price of late years, but it has been due to other causes than the demonetization of silver, such as improved methods of cultivation, increased production per acre, the general use of commercial fertilizers, and their enormously diminished price; to lower freights, quicker transportation, and various other causes. Farm products are not the only things that have fallen, but there has been a general fall in prices all along the line, and, as a matter of course, a farmer can afford to sell his products cheaper when he has to pay less for everything that he buys; and the fact is, as the statistics show, farm products have fallen in price, up to a few years ago, less than most other articles. A few years ago an elaborate investigation was made for the Senate on this whole subject under the direction of Mr. Carroll D. Wright, the eminent statis-

tician, and the result showed that from 1873, when it is said silver was demonetized, up to the time of the investigation, some three years ago, food products had fallen less than 10 per cent, while clothing had fallen 32 per cent, lumber and building materials about 20 per cent, house furnishings 27 per cent, and implements 35 per cent. Furthermore, it appeared that, as between 1860 and the time of the above investigation, food products had advanced 3 per cent, while, as a rule, other articles had fallen.

LABOR STATISTICS.

But it is universally conceded that the very best test to apply to this subject is that of wages, and from the table prepared under the same investigation, which I will print, but will not have time to discuss, it will be seen that since 1840, taking every tenth year except 1870, when prices were still inflated in consequence of the war, there has been a general increase in wages.

Occupation (per diem).	1840.	1850.	1800.	1880.	1800.
Piasterers Blacksmiths Blacksmiths' helpers Painters Wheelwrights Carponters Engineers Firemen Laborers Machinists Watchmen	\$1.50 1.50 .884 1.25 1.25 1.20 2.00 1.25 .81 1.45 1.10	\$1.75 1.50 .88½ 1.25 1.25 1.41 2.26 1.37 1.04 1.55 1.06	\$1.75 1.50 .834 1.25 1.25 1.52 3.00 1.44 .90 1.76 1.00	\$2.00 3.00 1.75 1.75 2.50 1.84 3.50 1.40 1.16 2.08 1.50	\$3.50 3.00 1.75 2.50 2.50 1.94 4.25 1.65 2.19 1.55
Railroads (per diem).	1840.	1850.	1800.	1880.	1600.
Baggagemen Brakemen, freight Brakemen, passenger Carpenters Conductors, freight Conductors, passenger Engineers, locomotive Firemen, locomotive Foremen, masons Painters	1.00 1.15 1.22 1.66 2.11	\$1.53 1.00 1.15 1.33 1.68 2.30 2.15 1.15 2.50 1.43	\$1.91 1.16 1.25 1.30 1.61 3.19 2.30 2.00 2.50 1.32	\$2.10 1.75 2.00 1.77 2.58 3.45 3.78 2.00 4.00 1.87	\$2.11 1.85 2.00 2.57 3.84 3.77 2.00 4.10 2.11
Average, according to importance, for all occupations, 1860 being reckoned as 100.	87.7	99.7	100	143	108.

THE EXAMPLE OF MEXICO.

I will also print the following table showing the increase in wages in grains of gold:

Wages in 1860 and in 1886 in dollars and in grains of gold, and percentage of

Workmen.	Wage		(in gr	rains	Percent- age of increase	
	1800.	1865.	1860.	1865.	(in grains of gold).	
Factory hands:				7 30		
Dyers	\$0.62	\$1.00	16	25, 7	61	
Giggers	.62	.88	16	21.1	33	
Shearers	. 60	1.00	17.8	25.8	45	
Plain weavers	65	.86	16.7	21.8	31	
Spinners	1.10	1.26	28.3	82.5	112	
Leather factory beam and yard			-	410	-	
Leather factory whiteners and	1.10	1.67	31	43	30	
skivers.	1.83	2.75	47.2	70.8	TN.	
Common laborers	1.00	1.59	25.8	38, 7	34	
Blacksmiths	1.50	2.00	38.7	51.6	3	
Blacksmiths' strikers	1.00	1.50	25.8	27	100	
Carpenters	1.67	2.00	4/3	51.6	3	
Machinista	1.75	2,25	45.1	57.7	29	
Locomotive engineers		3,20	68	82.4	3	
Locomotive firemen	1.20	1.75	31	45.2	4	
Average percentage of in- crease in weight of gold	22000000				. 3	

The gentleman from Texas [Mr. Bailey] in his speech yesterday read from an article in the North American Review by the Mexican minister, Mr. Romero, for the purpose of showing how prosperous Mexico was because of the free coinage of silver, the object of the article being to show that products brought a higher price in Mexico than in this country. After stating the alleged advantages that Mexico enjoys from being on a silver basis, what does Mr. Romero say on this question of wages?

Although our wages are low-

he says-

there has been in recent years a marked tendency to their increa

Wages are "low," even in silver currency, he has to admit, and the best that can be said for any improvement is that there has been in recent years "a marked tendency to their increase"—not an actual increase, it seems, but only a "tendency" in that direction. And this is true, Mr. Chairman, of every country which is on a silver basis. Is that the condition of things that gentlemen desire to establish in this country when they cite to us the examples of these silver countries? Do they want all products, the food that a man eats, the clothing that he wears, everything that he consumes to be high, leaving labor alone to be low—labor that produces them all?

of the Department of Labor, showing the condition of things as to labor in that country, the prices being in American gold; and, without stopping to discuss them, will again ask whether gentlemen desire to reduce our labor to such a condition?

Daily rates of wages, Japan.

Occupation.	Highest.	Lowest.	Average.
Blacksmiths	90.00	90.18	90.30
Bricklavers	,88	.20	.50
Cabinetmakers (furniture)	.53	.17	.30
Carpenters	.50	.20	.31
Carpenters and joiners (screen making)	.55	.17	.28
Compositora	. 88	. 10	.9
Coolies or general laborers		. 14	.2
Cotton beaters		13	. 3
Dyers		.05	
Farm hands (mon)		.16	1 .1
Farm hands (women)		.06	1 .1
Lacquer makers	.58	15	.2
Matting makers		90	i a
Oil pressers		10	.2
		.10	1 .5
Paper screen, lantern, etc., makers	.55	.20	.3
		.20	
Porcelain makers	.70	:11	.2
Preasmen, printing		.11	.2
Roofers	1 ,009	.20	.2
Sance and preserve makers	.40	.10	.2
Silkworm breeders (men)	.50	.10	
Silkworm breeders (women)		.05	
Stonecutters	.60	.22	.8
Tailors, foreign clothing	1.00	.25	.4
Tailors, Japanese clothing	.56	.15	.2
Tea makers (men)	.80	.15	.8
Tobacco makers	.50	.11	.2
Weavers	.49	.07	.1
Wine and sake makers	.50	1 .15	.2
Woodsawyers	.50	. 13	.8

The following are the rates of wages paid by the month:

Farm hands (men)	\$1.44
Farm hands (women)	1.20
Silkworm breeders (men)	1.93
Silkworm breeders (women)	.96
Weavers (women)	.96

Factory labor is paid even less than these prices. Middleton & Co., one of the most prominent tea-shipping houses in Japan, employ in their establishment a large number of persons, men and women, who work from 5 o'clock, nespectively, when they eat their rice and what other refreshments they bring with them and rest for twenty minutes or a half hour. The highest wages paid by the Messra Middleton are 42 sen a day, which is equivalent to 21 cents in United States currency. This is received by men who are experts in handling tea and have acquired their proficiency by natural ability and long years of experience.

The lowest wages are paid to young boys and girls who pick over the tea leaves to remove the stems and other foreign substances. They receive 13 sen (6) cents) a day for about twelve hours' work, not including their resting spells.

Of the entire force in the establishment, 20 are paid 21 cents (United States

ing spells.

Of the entire force in the establishment, 20 are paid 21 cents (United States currency) a day, 90 are paid 18 cents, 50 are paid 15 cents, 35 are paid 12 cents, are paid 10 cents, 5 are paid 9 cents, and 30 are paid 6; cents—and they board themselves.

Mr. Chairman, there has been throughout the discussion of this subject a great deal of denunciation of the manner in which the act of 1873 was passed. It is alleged that the act was secretly passed by Congress; that while its sole purpose was to demonetize silver, this purpose was carefully concealed; that demonetization was brought about through a conspiracy on the part of interested persons, and that the prime movers in the matter were substantially criminals, and all this is urged as an additional reason why the alleged wrong then done should be now righted. If we are satisfied that at this time and under existing conditions the free coinage of silver would be a bad thing for our people we ought not to enact it into law simply because, as is alleged, silver was improperly demonetized twenty-odd years ago.

In 1873 the silver dollar was intrinsically worth about 3 per cent more than the gold dollar, and it may have been an unwise step to have then limited the coinage of silver, but is the fact that

step to have then limited the coinage of silver, but is the fact that the legislation was then improperly procured any argument to reestablish at this day the old law when the silver dollar, instead of being more valuable intrinsically than the gold dollar, is now worth only one-half as much? If we are satisfied that free coinage at this day would be disastrous to the country, should we go to work to ruin the people of to-day in order to right a wrong alleged to have been done nearly a quarter of a century ago? This would seem to dispose of this charge from a practical standpoint, but so much has been said about this matter, with a view of arousing the indignation of our people and enlisting them in behalf of the free-coinage movement, that it seems necessary to How is it in Japan, the most advanced of all the silver countries? I have heresome statistics, taken from the January bulletin made by Mr. Carlisle at Covington in May last there is an atter

refutation of this charge, and I can not do better than to here copy what he says on the subject:

THE BILL WAS PENDING IN CONGRESS FIVE SESSIONS

refutation of this charge, and I can not do better than to here copy what he says on the subject:

The BILL Was Pending in Congress for nearly three years and was under consideration during five sessions of that body; it was distinctly recommended in two reports of the Secretary of the Tressury and the Director of the Mint. and it was officially printed and laid on the desks of members of the House and of the Senate thirteen different times before the final vote was taken on it. It was read at length in the open Senate several times, and in the House and of the Senate thirteen different times before the final vote was taken on it. It was read at length in the open Senate several times, and in the House and the discussion upon it in the House file 6c columns of the Congressions (Globe, and in the Senate 7st columns. As first reported to the Senate and passed by that body in January, 1871, the bill did not provide for the colnage of any silver dollar whatever, but expressly limited the colnage of that metal to subsidiary pieces—half dollars, quarters, and dimes.

In this form, without any provision for the colnage of any kind of silver dollar, the bill was passed in the Senate on the 10th day of January, 1871, upon the call of the yeas and nays, and the record shows that the two Senators from Kentucky, Hon. Garrett Davis and Hon. Thomas C. McCreery, the distinguished Democratic Senator from Oho, Hon. Allen G. Thurman, the present Senator from Nevada, Hon. WILLIAM M. STEWART, together with all the other Senators from the Pacific Slope, voted in the affirmative, while Senator SHERMAN (Senators from the Pacific Coast, so amonded the bill, after it was reported from the committee, as to aboush the charge of one-fifth of 1 per cent for colning gold, thus making the colnage of that metal entirely free.

The bill went to the House of Representatives, but it was not disposed of them the all the colnage of the silver dollar was affected, the bill introduced by him was precisely the same as the one that had passed the Sena

Is it conceivable that, after all this has been done in both House of Congress, anyone can believe that the silver dollar was left out of our mintage laws secretly and without the knowledge of men of our mintage laws secretly and without the knowledge of men who took part in these proceedings? It may be true, as alleged, that some distinguished men then in Congress were not aware that the silver dollar was omitted from the law; but if such be the case it must have been due to the fact that they felt no concern in that particular subject, precisely as others felt no concern about it, for the very good reason that silver was not then in circulation, and probably not one man then in Congress had ever seen a silver dollar of the United States. And it seems impossible to imagine any sinister motive that could have influenced the promoters of this legislation when it is remembered that the silver dollar was then actually worth 3 cents more than the gold er dollar was then actually worth 3 cents more than the gold dollar.

In addition to what Mr. Carlisle has said I beg to quote the following from the report on the subject made by Deputy Comptroller John J. Knox to the Secretary of the Treasury and by him transmitted to Congress with a draft of the proposed act:

COMPTROLLER KNOX'S RECOMMENDATION

COMPTROLLER KNOX'S RECOMMENDATION.

The coinage of the silver dollar piece, the history of which is here given, is discontinued in the proposed bill. It is by existing law the dollar unit, and, assuming the value of gold to be fifteen and one-half times that of silver, being shout the mean ratio for the past six years, is worth in gold a premium of about 3 per cent (its value being 108.12) and intrinsically more than 7 per cent premium in our other silver coin, its value thus being 107.43. The present laws consequently authorize both a gold dollar unit and a silver dollar unit, differing from each other in intrinsic value. The present laws consequently authorize both a gold dollar unit and a silver dollar unit, differing from each other in intrinsic value. The present gold dollar unit and a silver dollar unit, differing from each other in intrinsic value. The present gold dollar unit and a silver dollar piece is discontinued. If, however, such a coin is authorized it should be issued only as a commercial dollar, not as a standard unit of account, and of the exact value of the Mexican dollar which is the favorite for circulation in China and Japan and other Oriental countries.

ACTION OF SECRETARY OF TREASURY.

In transmitting to Congress the proposed bill the Secretary of the Treasury called special attention to Mr. Knox's report, stating that it gave "a concise statement of the various amendments proposed to existing laws and the necessity for the change recommended," Here we have not only the report of Mr. Knox, stating distinctly that the coinage of the silver dollar piece was discontinued by the proposed bill, but the Secretary of the Treasury, in addition, called attention to the report as giving a statement of the proposed changes and the necessity for the same. How is it possible under these circumstances to charge that the law was passed by stealth? The conclusion is irresistible that either gen-

tlemen then in Congress did know of the proposed change or that it was a matter of so little consequence that it failed to attract attention. And to show what different opinions gentlemen who are now conspicuous advocates of the free coinage of silver then held from what they now express on this subject, I will quote the following from what Mr. Stewart, Senator from Nevada, said on February 11, 1874, as appears by the Congressional Record:

SENATOR STEWART'S VIEWS ON GOLD

I want the standard gold and no paper money not redeemable in gold; no paper money the value of which is not ascertained, no paper money that will organize a gold board to speculate in it.

And on the 20th of February of the same year he said:

By this process we shall come to a specie basis, and when the laboring man receives the dollar it will have the purchasing power of the dollar, and he will not be called upon to do what is impossible for him or the producing classes to do—figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York; but he will know what his money is worth. Gold is the universal standard of the world. Everybody knows what a dollar in gold is worth.

These remarks were, of course, not made upon the act that we have been considering, but they, nevertheless, show what an extraordinary revolution has since taken place on this subject in the minds of gentlemen from the West.

SENATOR JONE'S VIEWS

In the first session of the Forty-third Congress Senator JOHN P. JONES used the following language, as appears from the Appendix of the Congressional Record, volume 1, part 2:

Does this Congress mean now to leave entirely out of view and discard forever a standard of value? Did any country ever accumulate wealth, achieve
greatness, or attain a high civilization without such a standard? And what
but gold can be that standard? What other thing on earth possesses the
requisite qualities? Gold is the articulation of commerce. It is the most
potent agent of civilization. It is gold that has lifted the nations from barbarism. So exact a measure is it of human effort that when it is exclusively
used as a money it teaches the very habit of honesty. It neither deals in
nor tolerates false pretenses. It can not lie. It keeps its promises to rich
and poor alike.

TRUE INWARDNESS OF DEMAND FOR FREE COINAGE

Now, Mr. Chairman, who can doubt that, if silver had retained the value it then had, we would never have heard a word from these gentlemen about its free coinage; that they would still be proclaiming that "gold is the universal standard of the world." "It can not lie; it keeps its promises to rich and poor alike." It is as certain as anything can be in this world that the attitude of the silver-mine owners with reference to free coinage was taken simply and solely because of its fall in value; because, instead of being more valuable than gold, it soon fell below gold and has ever since continued to fall. If silver had retained its then value of 3 per cent higher than gold, or if it had fallen to the price of gold and had there remained, there would have been no special advantage to the owner of silver to take it to the mints to be coined, because the owner would have received from the mint in the dollar that was given him only the market value of his silver; but as soon as silver commenced to fall immediately the silver-mine owner saw that at no other place in the world except the Government mint could he put in silver less than a dollar in value and take out a full dollar. Now, Mr. Chairman, who can doubt that, if silver had retained

value and take out a full dollar.

Hence we find that at about 1876, when silver had commenced value and take out a full dollar.

Hence we find that at about 1876, when silver had commenced to fall materially in its market value, we heard for the first time the demand made for its free coinage, and from that day to this, the greater the price has fallen, the louder has been the cry for its free coinage. And to-day, when the silver in a dollar is worth only about 50 cents, we see progressing the most active fight on this line that has ever been waged. Can anyone doubt that if the coinage of gold had been limited in 1873 and gold had depreciated in value, and silver had been retained as the standard of value, we would have heard, and would still hear, just as vigorous a demand made by the miners of gold for its free coinage as has been made by the owners of silver for its free coinage? It is interesting to fancy how our friends on the other side of this question would have coined for their opponents, if gold were the cheaper metal, a new vocabulary of abuse and derision. Instead of being "gold bugs" we would have been "silver bugs," and we can well imagine with what unction they would have told us that we were oppressing the farmers and laboring men of the country by discriminating against this "articulation of commerce," this "most potent agent of civilization," this "precious thing that has lifted the nations from barbarism"—the one thing that "can not lie," that "keeps its promises to rich and poor alike."

The only difference would have been that the fight for free coinage of gold would have been made by the owners of gold, whereas the precent ficht is urgade on by the owners of gold, whereas the precent ficht is urgade on by the owners of gold, whereas the precent ficht is urgade on by the owners of gold, whereas

age of gold would have been made by the owners of gold, whereas the present fight is urged on by the owners of silver. Now, Mr. Chairman, while I do not doubt for a moment that the fight for free coinage of silver was begun, and has since been constantly carried on, by the owners of silver for their personal benefit, I do not wish to be understood as imputing any such motive to the great mass of the supporters of the movement who have no such selfish interest. The respect and friendship which I entertain for the advocates of this measure on this floor make it almost unnecessary that I should disclaim any such imputation. I know that they honestly believe in this doctrine and that they are convinced in their own minds that, if adopted, it would be greatly to the benefit of our people. Their mistake lies, in my judgment, in having been induced by the vociferous cries of the silver owners that relief could be found in a depreciated currency.

SILVER CIRCULATION IN 1883.

As the advocates of free coinage of silver have imputed all manner of disastrous results to the limitation of its coinage in 1873 on the ground that our people have not been allowed the free use of silver money, let us see what was the condition of silver circulation at that day and what it is now. In 1873 there was not a dollar of silver in circulation of any sort, nor had there been any for at least ten years. To-day we have nearly four hundred millions of silver in full legal tender and seventy-seven millions in subsidiary coin. How, then, can it be charged that, by the act of 1873, the great mass of the people were injured by being deprived of the use of silver, when, at that day, there was not a dollar of it in use, while, since 1878, we have been constantly adding to our stock of silver until it now amounts to the above enormous sum? From the loud complaints that have been made anyone would have supposed that, for every year of our national existence, the United States had been hard at work coining silver dollars, whereas the truth is that, in the whole previous history of the Government, we had coined only the pitiful sum of \$8,030,000 in silver dollars.

\$400,000,000 AGAINST \$8,030,000.

Now, since 1878, there have been coined the enormous sum of \$397,652,873 in full legal-tender standard silver dollars. Thus we find a coinage of nearly four hundred millions in about fifteen years, against a coinage of \$8,030,000 in eighty-nine years—nearly

fifty times as much in the one case as in the other. Now, under this condition of things, it is impossible to conceive what objection the advocates of silver free coinage, except the silver-mine owners, can have to our silver currency, except that the Government does not allow it to be depreciated in value, but maintains it at full parity with gold. Of course, the owners of silver would be very glad to be allowed to go to the mint and, by giving a half dollar, take out a full dollar, but this motive, as I have said, does not affect the great mass of the supporters of free coinage, and I am utterly at a loss to see what can be the object of this latter class to get into circulation a cheap dollar, which in my judgment would be the most deplorable affliction that could befall our people.

\$1,200,937,506 AGAINST \$135,000,000.

Leaving for the present the question of the condition of the country as to silver alone in 1873 and at the present time, and taking up the question of the difference in our condition as to both gold and silver then and now, we find from the statistics that there was in the United States in 1873, in and out of the Treasury, only \$135,000,000 in coin, whereas in 1895 there was the enormous sum of \$1,260,937,506 in coin. If our alleged prosperity before 1873 was due to the fact that we then had free coinage of both gold and silver, whereas we are now suffering all manner of disasters because there is no longer free coinage of silver, how does it happen that we then had only \$135,000,000 in both coins, whereas we now have over a billion of the same?

PER CAPITA CIRCULATION.

And if we take all of our circulation, in both coin and paper money, instead of confining it to coin alone, we will find from the tables which I will print that in 1873 our entire circulation was \$18.04 per capita, whereas in 1894, during the worst period of our late depression, our circulation was as high as \$24.28—greater than the circulation of any country except France.

Specie and bank-note circulation of the United States in the years specified from 1800 to 1859.

[Prepared by Loans and Currency Division, Treasury Department.]

Year.	Number of banks and branches.	Estimated bank notes outstanding.	Estimated specie in United States.	Total money in United States.	Specie in Treasury.	Money in circulation.	Population.	Per capita.
800	506 704 713 788 829 840 901 784 682 691 696 707 707 715 751 751 782 824 879	\$10,500,000 28,000,000 44,800,000 61,000,000 87,000,000 91,500,000 91,500,000 94,839,570 103,682,495 140,301,638 149,185,890 116,138,910 135,170,965 106,968,572 107,290,214 83,734,011 165,553,408 75,167,646 89,668,711 111,106,552,427 103,519,768 128,506,001 114,743,415 114,743,415 114,743,415 1171,673,000 1188,181,000 204,689,307 1186,162,223 1165,747,360 204,689,307	\$17, 500, 000 30, 000, 100 24, 300, 000 33, 100, 000 32, 100, 000 30, 400, 900 30, 400, 900 41, 000, 500 51, 000, 000 65, 000, 000 65, 000, 000 67, 500, 000 68, 000, 000 68, 000, 000 69, 000, 000 90, 000, 000 100, 900, 000 120, 000, 000 120, 000, 000 120, 000, 000 120, 000, 000 120, 000, 000 120, 000, 000 120, 000, 000 220, 000, 000 221, 000, 000 221, 000, 000 221, 000, 000 221, 000, 000 221, 000, 000 221, 000, 000 220, 000, 000 200, 000, 000 200, 000, 0	436, 952, 223 445, 747, 950 474, 778, 822 415, 208, 344	*\$1,500,000 *3,000,000 *2,000,000 *2,000,000 *2,000,000 *5,755,705 6,014,502,914 2,011,778 8,802,858 *5,000,000 5,000,000 5,000,000 5,000,000 5,000,000	\$25, 500, 000 35, 000, 000 35, 000, 000 67, 101, 000 87, 344, 295 98, 085, 490 173, 97, 698 120, 138, 222 24, 137, 695 145, 739, 637 217, 185, 890 186, 638, 910 186, 638, 910 186, 638, 910 187, 187, 590 188, 593, 587 147, 114, 130 187, 359, 268 187, 185, 515, 527 147, 114, 130 167, 310, 286 173, 593, 593 187, 594, 798 222, 584, 4718 232, 538, 451 233, 253, 615 361, 640, 834 402, 238, 107 423, 551, 540 402, 238, 107 425, 581, 682 435, 686, 876 408, 810, 628 438, 987, 542	5, 308, 483 7, 233, 881 9, 633, 822 12, 886, 629 13, 221, 000 13, 590, 000 14, 973, 000 14, 273, 000 16, 112, 000 16, 123, 000 16, 153, 000 17, 090, 633 17, 691, 000 18, 132, 600 19, 273, 000 19, 273, 000 21, 143,	15. 8 16. 1 15. 3 15. 1 15. 8 13. 7

^{*}Specie in Treasury estimated.

Coin and paper circulation of the United States on June 30, from 1860 to 1895, inclusive.

L.	tehaten of roa	no and Catten	A PEARSON, TE.	swear, relurien	ionr.l			
Year.	Coin in United States, in- cluding bul- lion in Treasury.	Paper money in United States.	Total money.	Coin, bullion, and paper money in Treasury.	Circulation.	Population.	Money in United States per capita.	Circula- tion per capita.
1890. 1861 1892 1893 1894 1895 1896 1896 1897	25, 000, 000 25, 000, 000	\$207, 102, 477 202, 005, 767 333, 452, 079 649, 867, 283 690, 588, 067 745, 129, 755 729, 327, 254 770, 200, 612 601, 553, 578 600, 351, 180 607, 608, 461	\$442, 102, 477 452, 005, 767 558, 452, 079 674, 867, 283 706, 588, 067 770, 129, 755 754, 327, 254 728, 200, 612 216, 553, 578 715, 351, 180 722, 888, 441	\$6, 695, 225 3, 000, 000 23, 754, 335 70, 473, 245 35, 946, 559 55, 428, 760 80, 839, 010 66, 208, 543 36, 449, 917 50, 888, 280 47, 655, 667	\$425, 407, 252 448, 405, 767 234, 697, 744 585, 3144, 036 660, 641, 478 714, 702, 995 673, 488, 244 661, 992, 660 680, 102, 661 664, 422, 801 675, 212, 794	31, 443, 321 22, 004, 000 32, 704, 000 33, 305, 000 34, 946, 000 34, 748, 000 36, 211, 000 36, 973, 000 37, 736, 000 38, 556, 371	\$14.06 14.00 10.96 20.23 20.72 22.16 21.27 20.11 19.36 18.95	\$13, 85 13, 98 10, 23 17, 84 19, 67 20, 57 18, 99 18, 28 18, 39 17, 60 17, 50

Coin and paper circulation of the United States on June 80, from 1860 to 1895, inclusive-Continued.

Year.	Coin in United States, in- cluding bul- lion in Treasury.	Paper money in United States.	Total money.	Coin, bullion, and paper money in Treasury.	Circulation.	Population.	Money in United States per capita.	Circulation per capita.
1871 1872 1873 1874 1874 1875 1876 1870 1877 1879 1881 1881 1881 1881 1881 1885 1885 1886	25, 000, 000 25, 000, 010 25, 418, 734 65, 837, 806 102, 047, 907 357, 288, 178 494, 303, 884 647, 808, 682 708, 974, 830 708, 740, 648 891, 008, 530 822, 175, 823 1, 697, 314 1, 697, 515, 901 1, 169, 612 1, 168, 411, 638 1, 168, 415, 601 1, 122, 843, 331 1, 122, 843, 331 1, 222, 843, 331 1, 222, 843, 331 1, 222, 843, 331 1, 222, 843, 331	\$716, 812, 174 737, 721, 865 749, 446, 610 781, 024, 781 773, 273, 500 007, 216, 341 773, 273, 500 004, 253, 363 711, 565, 383 716, 672, 141 776, 575, 883 716, 672, 144 776, 578, 823 718, 564, 823 719, 789, 789 914, 385, 283 915, 482, 513 906, 582, 200 922, 723, 737 971, 564, 239 942, 728, 227 991, 754, 621 1, 132, 745, 170 1, 109, 988, 688	\$741, 812, 174 762, 721, 565 774, 445, 661 806, 621, 781 789, 277, 509 790, 688, 284 763, 663, 847 791, 233, 576 1, 661, 521, 541 1, 225, 239, 197 1, 405, 541, 623 1, 880, 531, 11 1, 613, 489, 816 1, 705, 454, 188 1, 817, 658, 635 1, 608, 559, 634 1, 817, 658, 635 1, 608, 559, 634 1, 817, 658, 635 1, 608, 559, 634 1, 817, 658, 635 1, 608, 559, 634 2, 675, 689, 631 2, 683, 683, 611 2, 144, 225, 159 2, 152, 253, 671 2, 363, 442, 432 2, 420, 434, 751 2, 008, 607, 430	\$25, 923, 100 24, 412, 916 22, 595, 81, 750 44, 171, 592 63, 673, 896 40, 738, 904 40, 738, 904 22, 288, 748 222, 544, 909 222, 889, 748 222, 544, 909 222, 898, 724 306, 241, 300 413, 184, 129 461, 522, 230 664, 999, 721 855, 899, 709 664, 999, 622 214, 674, 889 697, 785, 308 777, 222, 314 736, 701, 147 736, 603, 047	7715, 890, 005 738, 309, 540 751, 881, 890 751, 883, 681, 890 754, 197, 947 727, 000, 388 729, 132, 634 818, 631, 738 9723, 382, 228 1, 114, 238, 110 1, 174, 290, 410 1, 230, 305, 006 1, 343, 925, 900 1, 343, 925, 900 1, 343, 925, 900 1, 343, 925, 910 1, 322, 258, 615 1, 252, 700, 825 1, 317, 539, 143 1, 572, 170, 870 1, 380, 361, 470 1, 490, 361, 471 1, 606, 701, 245 1, 606, 701, 245 1, 606, 701, 245 1, 606, 701, 245 1, 606, 701, 245 1, 606, 701, 245	39, 535, 600 40, 596, 600 41, 677, 600 42, 796, 600 45, 137, 600 46, 365, 900 47, 598, 600 48, 806, 696 50, 155, 783 51, 316, 600 58, 613, 600 56, 148, 600 56, 148, 600 56, 148, 600 56, 744, 600 57, 494, 600 68, 375, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600 66, 387, 600	\$18.70 18.50 18.53 18.15 17.52 16.46 16.62 21.52 24.04 27.41 25.20 31.06 31.30 33.86 34.31 36.31 34.70 35.33 34.70 35.33 36.33	\$18, 19 18, 19 18, 19 17, 19 16, 5, 5, 16, 77 19, 47 22, 29 22, 60 21, 8 22, 4 22, 4 23, 8 24, 8 24, 2 24, 8 24, 2 24, 8 24, 8

Note 1.—Specie payments were suspended from January 1, 1862, to January 1, 1870. During the greater part of that period gold and silver coins were not in circulation except on the Pacific Coast, where, it is estimated, the specie circulation was generally about \$25,000,000. This estimated amount is the only coin included in the above statement from 1805 to 1875, inclusive.

Note 2.—In 1876 subsidiary silver again came into use, and is included in this statement, beginning with that year.

Note 3.—The coinage of standard silver dollars began in 1878 under the act of February 28, 1878.

Note 4.—Specie payments were resumed January 1, 1879, and all gold and silver coins, as well as gold and silver bullion in the Treasury, are included in this statement from and after that date.

Note 4.—Specie payments were resum in this statement from and after that date

ARGUMENT AGAINST FREE COINAGE.

Looking, therefore, at the question from any standpoint, I can

Looking, therefore, at the question from any standpoint, I can not for the life of me see how we were any better off in 1873 in the matter of currency than we now are.

Having, up to this time, considered only the arguments urged in behalf of this measure, I will now discuss, as fully as the time at my command will permit, the reasons which, to my mind, would make it most disastrous to enact this measure into law.

SILVER MONOMETALISM.

My first objection is that the free coinage of silver as proposed would drive out of the country the \$625,000,000 of gold which we have. Gentlemen on the other side of this question strenuously assert that this result would not follow; but if we will have any regard for what has universally occurred under similar circumstances in other countries, and also in our own, it seems impossible that there could be any result except that gold would at once

disappear.

The universal experience of mankind has been that where one of two coins is overvalued relatively to the other, and both made a legal tender with free coinage to both on the same terms, the coin which is so undervalued will disappear from circulation. Taking up the history of our own country alone, we will find that this result has invariably happened whenever such conditions existed, and in cases even where the difference in value was insignificant. In 1792 we first fixed the ratio between gold and silver at 15 to 1, when in fact the market value was about 151 to 1, and at 15 to 1, when in fact the market value was about 151 to 1, and the effect of this insignificant overvaluation of silver sentour gold out of circulation, and it continued out of circulation until 1837, when a law was passed changing the ratio to 16 to 1 for the express purpose, as declared by the statesmen of that day, of bringing gold back into circulation.

But in their anxiety to secure this result they undervalued gold to a slight extent, whereupon silver immediately disappeared from circulation and, substantially, we had a circulation only of gold for the next forty years. There is nowhere any dispute about these facts, and we are driven to the conclusion that the same thing will happen again under similar circumstances as has happened in the conclusion of the conclusion. thing will happen again under similar circumstances as has happened in every instance recorded in history. Now, what do our friends on the other side ask us to do in this matter of the ratio between gold and silver? They are insisting that the ratio shall still be kept at 16 to 1, although the market price of silver everywhere in the world to-day shows that the proper ratio should be about 33 of silver to 1 of gold, which would make the enormous overvaluation of silver of 100 per cent.

Can anyone doubt that gold would instantly disappear? Can we, as reasonable persons, believe that what has always happened in the case of a very slight overvaluation will not instantly come about when there is this unheard-of overvaluation? There is no

mystery about this law, nothing whatever about it that is not easily understood; there is the very best of reasons at the bottom of it, and hence it is that we find the same thing always occurring mader the same circumstances. That reason is that if a man has two kinds of money with which to pay for what he buys, one of them worth much less than the other, he will inevitably pay out that which is of the least value and retain the other. And when everyone in the community does this the necessary effect is that the better money ceases to circulate and is either hoarded by the people or kept locked up in the banks. And this is especially apt to happen when there is agitation about the currency and danger of a crisis in financial matters.

THE CURSE OF FREE COINAGE AGITATION.

It is the belief of many people whose opinions are entitled to the highest respect that the trouble we are now having with our financial affairs—the continual rush on the Treasury to get gold ins due to the agitation of the free-silver question and to the enormous additions we have made to our silver currency, and there is no doubt whatever in my mind that such is the case. Not many years ago there was, as everyone knows, a great deal of gold in circulation—who sees any of it now? It has gone out of circulation; it is hoarded and treasured up and is so eagerly sought after that it is convection. that it is now costing the Government millions of dollars every year to keep enough gold in the Treasury to redeem its notes. Now, if such a condition exists from the additions already made

Now, if such a condition exists from the additions already made to our silver currency, all of it maintained by the Government at an equal value with gold, and from the mere apprehension that the country will be flooded with silver through free coinage, what may we not expect if the silver agitators had their way and free and unlimited coinage of silver was an accomplished fact? Undoubtedly we would immediately fall into silver monometallism and be a silver country like Mexico, China, and Japan. Nor do the advocates of this bill deny that such would be the case. On the contrary, so far from denying it they are anxious to bring about just that result.

EFFECT ON THE COTTON PLANTER.

I can not understand, Mr. Chairman, why the representatives of the cotton-producing States of the South should think that this measure will be of advantage to their constituents. With whom do we deal? Where do we send our products—the enormous crop which we yearly make, far exceeding in quantity what this country can consume? Do we deal with silver countries? Do we deal with China, Japan, and Mexico? Why, no.

GOLD COUNTRIES OUR BEST CUSTOMI

All of our surplus cotton is substantially sent to the gold countries of Europe, to Great Britain, Germany, and France. When we consider the vast quantity of cotton shipped to those countries I can not understand how gentlemen can maintain that it is to our interest to have a currency system entirely opposed

to that which they are using. During last year we shipped to those countries the following enormous quantities of cotton:

	Bales.	Value.
United Kingdom	3,468,255 1,500,300 773,734	\$101,696,650 43,075,399 21,588,890
Total	5,742,298	168, 355, 980

In addition to this, we sold to France 5,044 bales of sea island cotton, worth \$354,323, and to the United Kingdom 33,912 bales, worth \$3,404,505; sustantially all the sea island cotton that we sold to foreign countries. This is what we sold to only three of the gold countries, without taking into consideration the sales to the various other gold countries of less importance. Now, what cotton did we sell silver countries during the same period?

SILVER COUNTRIES OUR WORST CUSTOMERS

It does not appear that we sold a bale to China, and to Mexico and Japan together we sold only 93,261 bales. Now, what would be the result to the cotton farmers of the South if this country is placed upon a silver basis while the countries with which they chiefly deal are on a gold basis? Everybody knows that the price of our cotton is fixed in Liverpool, and that every purchase of cotton made in this country is made on the basis of Liverpool prices, and that not a single cotton buyer in this country bids on cotton until he knows what the price is in Liverpool that day.

But the Liverpool price would be in gold, and the American price would be in silver, and the cotton buyer would not only have to figure on a possible fall in the price of cotton, but on a change also in the price of silver, and there would thus be two chances to be taken in the transaction instead of only one, as there is now. Would the cotton buyer himself assume either of these risks? Cer-

Would the cotton buyer himself assume either of these risks? Certainly not. He would take neither risk, and would make such a difference in the price paid the farmer as would make himself safe in the transaction.

FIGURE ON THE EXCHANGE, FIGURE ON THE FLUCTUATIONS, FIGURE ON THE GAMBLING.

What chance would the farmer stand in business conducted in that way? As Senator STEWART, the great silver leader, said in the speech from which we have above quoted, he would have "to the speech from which we have above quoted, he would have "to figure upon the exchanges, figure upon the fluctuations, figure upon the gambling"; and in all of this he would be no match for the cotton buyer, whose business it would be to be thoroughly informed on all such matters. How many farmers would have time to spare from their legitimate business to be making all these calculations? And if he had, what information could he get as to the price of cotton and the price of silver in London?

There would be constant worry, friction, and uncertainty, all of which would react against the farmer. In ordinary life nothing is considered more important with a business man than for him to retain his best customers and to make his dealines with them

to retain his best customers and to make his dealings with them to retain ms best customers and to make his dearings with their as easy and pleasant as possible; but, if our silver friends are allowed to have their way, this plain and sensible rule would have to be violated by every farmer in the South. Great Britain and the other countries I have mentioned are the farmers' best customers; they generally buy about two-thirds of our whole cotton crop, and it would certainly seem to be to the interest of the farmer these means are there are the second are the s crop, and it would certainly seem to be to the interest of the fariner to keep these good customers, and to have the business transactions between them made as easy and simple as possible. But if this country were placed upon a silver basis not a bale of cotton could be sold without the farmer being involved in all these difficulties I have mentioned. Has he not already enough to do to raise his crop and prepare it for market without assuming these additional burdens? And by no possibility could he derive any benefit from such a condition of things, for if he got a high price in silver for his cottom he would of course have to pay a correspondingly

from such a condition of things, for if he got a high price in silver for his cotton he would of course have to pay a correspondingly high price for everything that he bought.

Can the farmer possibly believe that what he has to sell will alone increase in price, while the prices of nothing else will rise? If he gets more for his cotton in silver, will he not have to pay more for everything he buys? And he must bear in mind what is a very and but nevertheless an undeniable fact, that what he has to buy is always fixed by the seller, while the price of his cotton is not fixed by himself, but by the buyer—a result arising out of the fact that its price is fixed in Liverpool, thousands of miles beyond his reach. And here again he will find the rule operating against him that, whether buying or selling, he will have to pay for all the risks and chances arising out of a depreciating and fluctuating currency.

currency.

I have dwelt, Mr. Chairman, at length on the effect this legislation would have on the cotton planter, because he has my deepest sympathies, my interests are all the same as his, and I believe I know enough about his business and his needs to enable me to judge intelligibly what will hurt or help him. No doubt I whom do we mean? Who really are they? Not simply to owe borrowed money; they constitute a very small part.

would please him better for the time being if I were to tell him that the passage of this bill would give him two prices for his cotton, and that I would, therefore, vote for it; but, believing as I do that the free coinage of silver would almost prove his destruction, I feel it to be my duty, as his carnest friend and faithful representative, as my record will show I have always been, to warn him of the danger that is ahead of him and to do all in my power to protect him.

EFFECT ON SALARIED MEN.

If this bill becomes a law, Mr. Chairman, it will at once reduce by one-half the value of the income received by every clerk and every other employee working at stated salaries; of every school-teacher, of every professor in colleges, and of every minister of the gospel.

WIDOWS AND ORPHANS.

Possibly, after years of privation suffered under this condition of things, and after much contention, their condition may be somewhat ameliorated by an increase of salary, but there would be no such hope for another class, who are entitled to our deepest sympathy and protecting care. I mean the aged, women and children, widows and orphans who are dependent on investments for their income, never very large in our part of the country. What hope would there be for them, with ability to work try. What hope would there be for them, with about all gone and with their entire investments and yearly income reduced one-half in value?

LABORING MEN

I have already referred to the effect that this bill would have on the laboring classes, and have produced tables showing their condition in those countries, to the level of which the advocates of this bill wish to reduce us. Does anyone believe that under free coinage of silver the wages of labor would be increased in propor-tion to the price of articles that the laborer must have? The station to the price of articles that the laborer must have? The statistics of silver countries show that this is never done. In his first message to Congress, in 1885, President Cleveland quoted the following from a speech made by Daniel Webster in the Senate

The very man of all others who has the deepest interest in a sound currency and who suffers most by mischievous legislation in money matters is the man who earns his daily bread by his daily toil.

THE DEBTOR CLASS.

There are a great many people in the country who favor the free coinage of silver solely upon the ground that they are in debt, and that it would be much easier for them to pay off their indebtedness in dollars worth only 50 cents than in dollars worth 100 cents. Conceding, for the sake of argument, that the debtors of the country would be thereby benefited, are we justified in legislating solely in the interest of one class of our people in disregard of the rights of all others? And, especially, ought we to do this when such legislation would deprive many others of our people of just one-half of the money they have invested? For, of course, if the debtors gained by such a law, their creditors must undoubtedly lose exactly in the same proportion. But is it is the class. lose exactly in the same proportion. But is it true that the debtors as a class will be benefited? There is, of course, no possibility of this bill passing this House and becoming a law, but let us suppose that, during the coming election, the advocates of free coinage, having now a majority in the Senate, were to carry the House and win the Presidency.

What would be the result on the debtors of the country of this

declaration that just as soon as the new Congress could meet and the President take his sent all debts were to be paid in 50-cent dollars? There would be a financial crash such as the world has never seen, and the debtor class would be the very first to be ruined. It would be months before the law could be passed, and instantly every creditor in the country would do his utmost to collect his money before it got to be the fashion to pay debts in 50-cent dollars. As a matter of course no debt would be extended; the instant it became due, if it were secured by collaterals, the collaterals would be rushed upon the market and sold for whatever they would bring, and not only would the uncertainty as to the future keep purchasers from bidding, but enormous amounts of such securities being all at once placed on the market would produce ruinous prices. If the debt were secured by mortgage, suit to foreclose would be at once commenced and ressed to judgment and sale.

Not only would no extension of time be granted, but money to

pay the debt could not be procured from other sources. With their property sacrificed under the hammer and their credit all gone, where could the unfortunate debtors look for help? Have we not had an object lesson and warning in what lately occurred? Did we not see that, upon the mere danger of war between this country and Great Britain, there came a crash in New York that in one day is said to have cost debtors over \$190,000,000?

WHO ARE DESTORS?

But, Mr. Chairman, when we speak of the debtors of the country, whom do we mean? Who really are they? Not simply those who

BAILBOADS, BANKS, INSURANCE COMPANIES.

The great debtors of the country are the railroads, banks, insurance companies, and other corporations. It is estimated that the railroads of the country owe not far from \$6,000,000,000; savings banks owe their depositors about \$1,700,000,000, the depositors therein numbering over 4,700,000. There were over 1,800,000 depositors in national and other banks whose deposits amounted

depositors in national and other banks whose deposits amounted to \$3,000,000,000; building and loan associations owed their members about \$450,000,000; cities, counties, and towns owe about \$1,100,000,000, and over 7,500,000 persons hold policies in life insurance companies. These enormous sums have either been invested or deposited with these corporations, and every dollar of it has been paid in sound, hard-earned money, and the great mass of it represents the savings of people of moderate means.

If we come down to a silver basis what will be the result as to this vast sum? Silver will be the sole standard of value and these institutions would all have the right to pay every cent of it in 50-cent dollars. Take the savings banks depositors and the holders of life-insurance policies alone and see what a fearful amount of wrong and injustice would be done that most worthy class of people. For years they have been stinting themselves and denying themselves perhaps even the comforts of life in order to make provision against old age or to secure a support for their loved ones after they themselves have passed away, and they would see one-half of it destroyed at one blow. It would seem, Mr. Chairman, as if our friends on the other side, if they have their way in this matter, would be benefiting only the banks and other corporations which they usually denounce in such round terms. they usually denounce in such round terms.

Coin Redemption Fund.

SPEECH

HON. R. W. BLUE,

OF KANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. BLUE said:

coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. Chairman: As the Representative-at-large from the State of Kansas: I do not at this time desire to be wholly silent. Absence from this House, enforced by sickness, prevented me from getting the necessary time in general debate. I shall therefore be compelled to content myself with the limited time accorded under the present rule and ask leave to extend my remarks in the Record. The Republicans of the State of Kansas, in their platform adopted in 1894, indorsed the national Republican platform made and promulgated at Minneapolis. By its terms it favored the use of gold, silver, and paper as money, but under such restrictions and regulations as would preserve the parity of the dollars in debt-paying and purchasing power. To that enunciation they added that they favored the coinage of the output of our own silver mines and a tariff upon foreign silver. Taking the whole enunciation upon the question of finance together, it clearly meant that the Republicans of Kansas are in favor of sound money [applause on the Republicans of Kansas are in favor of sound money [applause on the Republicans of Kansas are in favor of sound money [applause on the Republicans of Kansas are in favor of sound money [applause on the Republicans of Kansas are in favor of sound money [applause on the read and to the extent of my power to carry out their direction. [Renewed applause.]

Florid rhetoric revamped from "Coin's Financial School" proves nothing. [Laughter.] Nor do turgid phrases offer argument. There are a few general principles that underlie this whole money question, and after all the debate, after all the known theories that are presented here on the side of those who favor the free and unlimited coinage of silver, these general principles remain. One is that when there is a difference between money, between the coins, in value, that the cheaper coin invariably drives the dearer out of circulation. In

Soon after the commencement of the present session of Congress this House expeditiously passed and presented to the Senate of the United States two measures intended to meet in a patriotic way the necessities of the country. The first was a revenue measure designed to increase the revenues of the nation by at least \$40,000,000 per annum. The other was an amendment to the law of 1875, which authorizes the issuance and sale of bonds for the relief of the Treasury and the protection of the national credit. It is as follows:

That in addition to the authority given to the Secretary of the Treasury by the act approved January 14, 1875, entitled "An act to provide for the

resumption of specie payments," he is authorized from time to time, at his discretion, to issue, sell, and dispose of, at not less than par in coin, coupon or registered bonds of the United States, to an amount sufficient for the object stated in this section, bearing not to exceed 3 per cent interest per annum, payable semiannually, and redeemable at the pleasure of the United States, in coin, after five years from their date, and payable in fifteen years after their date, with like qualities, privileges, and exemptions provided in said act for the bonds therein authorized. And the Secretary of the Treasury shall use the proceeds thereof for the redemption of United States legal-tender notes, and for no other purpose: Provided, That nothing in this act shall be construed to repeal or modify an act approved May 31, 1878, entitled "An act to forbid the further retirement of United States legal-tender notes," Whenever the Secretary of the Treasury shall offer any of the bonds authorized for sale by this act or by the resumption act of 1875, he shall advertise the same and autiforize subscriptions therefor to be made at the Treasury Department and at the subtreasuries and designated depositories of the United States.

Sec. 2. That to provide for any temporary deficiency now existing, or which may hereafter occur, the Secretary of the Treasury is hereby authorized, at his discretion, to issue certificates of indebtedness of the United States, to an amount not exceeding \$50,000.00, payable in three years after their date to the bearer in lawful money of the United States, of the denomination of \$30, or multiples thereof, with annual coupons for interest at the race of 5 per cent per annum, and to sell and dispose of the same for not less than an equal amount of lawful money of the United States shall have the like qualities, prylieges, and exemptions provided in said resumption act for the bonds therein authorized. And the proceeds thereof shall be used for the purpose prescribed in this section and for no other.

This amendment provides for the issuance of shorter-time bonds at a lower rate of interest, and requires that the disposition of the bonds shall be open to the public and an opportunity afforded our people to become owners of our national loans. In addition it provides for the issuance of bills of exchequer running not to exceed three years in time at low rate of interest, these exchequer

ceed three years in time at low rate of interest, these exchequer bills to be used only for the purpose of meeting any temporary deficit which may exist in the Treasury.

The amendment further provides that the proceeds of bonds hereafter to be issued and sold should be applied only to the redemption of the greenbacks.

A careful examination of this proposed amendment to the law of 1875 will clearly exhibit its movies.

of 1875 will clearly exhibit its merits.

The present Administration, when confronted with an insufficient revenue brought about by its defective economic policy and its growing and continued deficit in the Treasury, invoked the aid of the act of 1875 and issued and sold bonds to redeem United States Treasury notes which the impaired national credit drove to the National Treasury for redemption. With the gold derived from the sale of bonds it has redeemed greenbacks, which were immediately reissued by the Treasury to pay the deficit produced by an insufficient revenue. In that way has been established the endless chain about which the President and his Secretary of the

Treasury have so much to say.

Some of the adherents of the President's policy in this House stoutly maintain that there is no lack of money in the Treasury, and no necessity for the issuance of any more bonds. With skillful and adroit sophistry they would argue the deficit away: Should this amendment offered by the House become a law the deficit this amendment offered by the House become a law the deficit would be emphasized and pointed out by the requirement which compels the Treasurer to meet the emergency by the issuance of short-time exchequer bills. Thus the endless chain would be impaired and eventually broken, and the use of greenbacks in the payment of the Treasury deficit prevented. It will be observed that this amendment does not in any sense compel the issuance of more bonds, but only provides for an additional class of bonds, shorter in time, cheaper in rate of interest, popularizing our national loans by first offering them to the masses of our own country, and prevents the use of the redeemed greenback in discharging the deficit.

ing the deficit.

It is apparent to everyone who has given the subject careful consideration that the law of 1875, which provides for the issuance and sale of bonds, has been for some months the only barrier between the National Treasury and the destruction of national credit.

We have seen the gold reserve in the Treasury sink to about \$50,000,000, and yet all our money has remained as good as the best and our national credit has been preserved. Why is this? It is due to the fact that the country and the civilized world realize that under the law of the land the Government could issue and sell these bonds for the protection of the national credit whenever necessity compelled it. necessity compelled it.

It is now apparent that the chief cause for present financial conditions is lack of national revenue. The experience of the past, reaching from specie resumption down to the national election of 1892, abundantly proves that with a sufficient revenue and a gold reserve of \$100,000,000 all of our money can be maintained at a parity in value, the national credit preserved, and the confidence of the people so sustained that comparatively few of our green-backs will be presented for redemption.

When this House measure reached the Senate and was taken up for consideration that body struck out the entire bill and substi-tuted for it the following measure:

That from and after the passage of this act the mints of the United States shall be open to the coinage of silver, and there shall be coined dollars of the weight of 412; grains troy, of standard silver, nine-tenths fine, as provided by

the act of January 18, 1837, and upon the same terms and subject to the limitations and provisions of law regulating the coinage and legal-tender quality of gold; and whenever the said coins herein provided for shall be received into the Treasury certificates may be issued therefor in the manner now provided by law.

SEC 2. That the Secretary of the Treasury shall coin into standard silver dollars, as soon as practicable, according to the provisions of section 1 of this act, from the silver bullion purchased under authority of the act of July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," that portion of said silver bullion which represents the seigniorage or profit to the Government, to wit, the difference between the cost of the silver purchased under said act and its coinage value, and said silver dollars so coined shall be used in the payment of the current expenses of the Government; and for the purpose of making the said seigniorage immediately available for use as money the Secretary of the Treasury is hereby authorized and directed to issue silver certificates against it, as if it was already coined and in the Treasury.

SEC 3. That no national bank note shall be hereafter issued of a denomination less than 104 and all notes of \$10 and larger denominations shall be issued in their stead under the direction of the Comptroller of the Currency.

SEC 4. That the Secretary of the Treasury shall redeem the United States notes, commonly called "greenbacks," and also the Treasury notes issued under the provisions of the act of July 14, 1850, when presented for redemption, in standard silver dollars or in gold coin, using for redemption of said notes either gold or silver coins, or both, not at the option of the holder, but exclusively at the option of the Treasury Department, and said notes, commonly called "greenbacks," when so redeemed, shall be reissued as provided by the act of May 31, 1878.

Amend the title so as to read

In the Senate of the United States, January 30, 1896. (Calendar day February 1, 1896.)

Resolved, That this bill pass with amendments.

WM. R. COX, Secretary.

That is the proposition now before us for consideration. It is to be observed that this is the best average judgment of the silver advocates in the Senate of a measure for the relief of the Treasury along the lines for proper treatment of silver. They are the champions of the silver cause. In their hands is the destiny of the white metal. By their conduct in presenting this substitute is their good intent and honesty of purpose to be ganged. The first criticism of this measure is that it is not germane to the subject of the original bill and is wholly at variance with what seems to be

good faith and parliamentary practice.

With equal logic a substitute might have been offered by the Senate providing for a system of irrigation of arid America or for the distribution of seed by the Secretary of Agriculture. It would have been much more in consonance with the dignity

and honor of the Senate to have met the question frankly by a germane amendment and an independent bill of its own for a solution of the question. If the friends of the free and unlimited coinage of silver mean to treat the subject fairly, why do they not prepare and introduce in this body or enact and send to us from the other body of this Congress a measure embodying their views?

This substitute as presented to us by the Senate provides for the

This substitute as presented to us by the Senate provides for the free and unlimited coinage of the silver of the world on a ratio of 16 to 1. It directs the coinage of the seigniorage of the silver bullion now in the Treasury, purchased under the provisions of the Sherman silver-purchasing act of 1890, and requires it to be used in the payment of the current expenses. For the purpose of making said seigniorage immediately available it authorizes and directs the Secretary of the Treasury to issue certificates against it as if it was already coined. It retires all national-bank notes of a denomination less than \$10 and then requires the Secretary of the Treasury to redeem the greenbacks in standard silver dollars or in gold coin, or both, not at the option of the holder, but exclusively at the option of the Treasury Department. I will consider these several sections in inverse order.

It will be observed that the provision for the preservation of the parity of the dollars which was placed in the act of 1890 is omitted.

rity of the dollars which was placed in the act of 1890 is omitted. What was that provision?

It being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio or such ratio as may be provided by law.

The provisions of the act of 1893 upon the parity of the dollars is also left out. That provision is as follows:

And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintainance of the parity in value of the coins of the two metals and the equal power of every dollar stall times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts.

Now, these omissions were doubtless paymosely made in order

Now, these omissions were doubtless purposely made in order that the descent to a silver basis might be the more certain and

expressions of those parity provisions in the laws of 1890 and 1893 were only legislative affirmations of what had been the policy of the Treasury for many years. To omit them now would be an abandonment of the principle.

If the third section of this substitute stood alone, freed from the

obnoxious provisions of the other parts of the substitute, I would cheerfully yield it my support, believing it would aid, in a degree at least, in reaching actual bimetallism to the extent of using the silver output of our own silver mines.

There are several serious objections to the second section of this Senate substitute. In the first place, it requires the coinage of the seigniorage of the silver bullion in the Treasury. There can be no seigniorage until the silver is coined under the provisions of the act of 1890. It can not be determined in advance of the coinage. And yet this substitute requires not only the coinage of this supposed seigniorage, but directs the Secretary of the Treasury to issue certificates against it as if "it were already coined." In other words, the Secretary is required to certify that there are so many dollars in the Treasury which have never been coined and have no existence as dollars. Couched in this vicious provision is a doctrine enunciated by a distinguished Populist:

That the Government should estimate the gold and silver in the mountains in the nation and issue certificates against it.

Gentlemen do not seem to recognize the difference between the promise to pay based on the faith of the nation and a gold or silver certificate. A certificate states a fact, that is, that so many dollars have been deposited in the Treasury. The gold and silver coins in the Treasury, against which there are certificates outstanding, are not the property of the Government. They are the property of the holders of the certificates. The Government is simply the trustee of the owners, and has no more right to use such coin then any other trustee has to use trust funds for the core such coin than any other trustee has to use trust funds for his own private purposes. When this coin which now rests in the Treasury with certificates outstanding against it is excluded, it leaves about \$7,000,000 of free silver remaining in the Treasury which can rightfully be applied to the discharge of the current obligations the Government.

The Government.

The first section of the substitute is for the free and unlimited coinage of the silver of the world, pure and simple. How is the free and unlimited coinage of the silver of the world to relieve the Treasury from its present embarrassment? The owner of silver bullion who takes it to the mint to have it coined will carry his client dellars coined at Government expense away with him. He silver dollars coined at Government expense away with him. He will leave no dollars behind to aid in the discharge of the deficit

will leave no dollars behind to aid in the discharge of the deficit in the Treasury.

The advocates of this measure with practical unanimity oppose the issuance of any more bonds to protect the national credit. There has been no gold paid into the Treasury on tariff dues for several months. With the power to sell bonds taken from the Secretary of the Treasury and no gold coming to the Treasury from taxation, what will the word coin in our statute mean? Some continuous way pass an act receiving the nature mean? gentlemen may say pass an act requiring the payment of dues in gold. Do they realize that such a discrimination in favor of gold would still further widen the space between the metals and aid in demonetizing gold? Has not the distrust bred by the threat of free and unlimited coinage of silver already put Gresham's law into operation? Do not gentlemen find the money in use now very generally silver certificates and silver? Are not gold and green-backs already retiring from view as the more valuable money? The momentous question which is before the nation is the free

and unlimited coinage of the silver of the world by this nation alone. The friends of this free and unlimited coinage in this House and in the Senate Chamber with practical unanimity discard all belief in the possibility of an international agreement for bimetallism. They insist that this Government alone can main-tain the free and unlimited coinage of the silver of the world at a ratio of 16 to 1 and preserve the parity of the dollars. What is there in past experience to justify it? The lawmaking power of this Republic established our first monetary ratio in 1792 at 15 to 1. It was believed at that time that that ratio was the average commercial ratio between the two metals in the commercial world and that the parity of values could be maintained thereon and that the concurrent circulation of silver and gold could be maintained thereby. France at that time maintained a ratio of $15\frac{1}{4}$ to 1. When this Republic began its coinage upon the established ratio it was speedily discovered that gold would not circulate con-currently with silver upon that ratio, because it was more valua-ble. It was melted down and used in the arts or sought the markets of France or other nations where it was more highly valued.

The force of our statute was overcome by the higher law of commerce and trade, and so long as we maintained that ratio gold refused to circulate as money, and we had silver monometal-lism. This condition of affairs continued until 1837. Congress then changed the ratio to 16 to 1, believing that it would more nearly approach the commercial parity between the two metals and compel the concurrent circulation of both gold and silver in the country. When the mints entered upon coinage under this ratio country. When the mints entered upon coinage under this ratio and the coins began to be used among the people, it was speedily ascertained that silver had been undervalued by this ratio and that gold was the cheaper money. The inexorable law of commerce and trade, as established by the universal experience of mankind, compelled hoarding and exporting of silver and made gold the metallic money of account. In 1853 the lawmaking power of the nation, in order to prevent the shipping of our subsidiary silver coin and to keep it at home as change, lightened its weight and fixed the amount of its legal tender at \$5.

In 1857, by an act of Congress, the foreign silver dollars in use in this country were demonstized, and by these various statutory provisions silver was demonstized in its use as standard money, and from 1857 to 1861 gold was the standard of value and the money of account.

From 1861 to 1873 metallic money was out of circulation in the nation, the cheaper unit of value, the depreciated Treasury note, having under Gresham's law driven the better money out of circu-

The so-called crime of 1873, about which we have heard so much and concerning which there has been so many persistent misrepresentations, occurred in 1853 and 1857, rather than in 1873.

The law of 1873, which it is claimed demonstrated silver, was simply a confirmation of what the ordinances of commerce and

trade had made the business practices of this nation since 1857.
Gresham's law of finance, like the law of gravitation in physics, existed for centuries before it was discovered by man, and like the great law of gravitation, its silent and inexorable force controlled everywhere in the commerce and trade of the world. No statute has ever repealed or ever can for any appreciable length of time modify or impair it. If all the statutes in the civilized world should by common consent demonstize gold it would still, under the operation of the laws of commerce, business, and trade, measure values and settle balances between nations until something more acceptable in the judgment of mankind should take

its place.

Much has been said in this House and elsewhere about the depreciation of silver by reason of its demonetization by the legislation of the great nations of the earth. Is that assumption wholly sus of the great nations of the earth. Is that assumption wholly sustained by the facts? Is it not in general true that legislation follows rather than precedes conditions? Is it not a fact that laws are enacted to meet the requirements of the changed conditions of society? Are they not generally made to correct inequalities, redress wrongs, or preserve rights under the existing conditions of society? Why was it that silver, by the common consent of mankind, became discredited as a measure of value and a standard money? Was not this condition of things in existence before the legislation effecting the demonstization of silver began? An enumeration and consideration of the causes which brought about these conditions in the commercial world would be an interesting study.

conditions in the commercial world would be an interesting study.

As the debate has progressed the question has occurred to me,
why go back in the eternal past and seek to adopt the practices
and methods and measures of value established centuries ago? The conditions which confront us deal with the present rather

than the past.

We have not been wholly without experience upon this subject in the last twenty years of our national existence. Up to 1878 we had coined 8,000,000 silver dollars. Under the operation of the Bland-Allison Act we organized a system of silver coinage which added to our standard silver dollars something over \$2,000,000 per month for many years, averaging something near \$30,000,000 per annum until we had added to the \$8,000,000 already coined about

four hundred millions more.

What is the remedy now? Advocates of free coinage insist that the enre for all our financial ills is to at once enter upon the free and unlimited coinage of the silver of the world upon a ratio of 16 to 1 by this nation alone. They assume that such a course will at one give us a concurrent circulation of both gold and silver at a parity in value, greatly enlarge the volume of money, enhance the prices of all commodities, and produce such prosperity in the land as the world never knew before. What is there in the past history of this nation to justify the assumption? If a difference of two or three cents on the dollar wassufficient to demonstize gold from 1792 until 1857 and demonstize silver from 1857 until 1861, when practically the whole civilized world was sustaining the parity in the metals by ratios very similar to our own, what would be said of our ability alone to sustain the parity of the dollars on a ratio of 16 to 1, when the difference between the dollars on that ratio now is 50 cents and the commercial ratio of the world is 32 to 1? Such a proposition carries with it its own refutation. It is contrary to the experience and common sense of mankind and is

is contrary to the experience and common sense of mankind and is unworthy of the support of any sane person.

In 1800 we enacted the Sherman silver-purchasing law, and provided for the purchase by the Government of the estimated annual product of our own silver mines, amounting to about 54,000,000 ounces of silver per annum. Now, this enactment called for an effort on the part of this Government alone to sustain the value of silver. What was the effect of this immense consumption of silver by our Government? During all that time silver continued to fall in price in the markets of the world. At no time during this experiment did the price of silver exhibit a healthy condition. The decline in the price of silver in the markets of the world was not arrested.

If the Government can, by the use of silver in large quantities, impart a value to it above that fixed by the commerce of the world, why did it continue to fall during the entire period from 1878 to 1893? It is claimed by the advocates of free silver that one of the money commodities of the world has been destroyed in its use and the volume of money severed in twain. Is this claim greatering by the facts? claim sustained by the facts?

The report of the Director of the Mint shows that all the coun-

tries of the world since 1873 have actually coined two billions seven hundred millions of silver. All the coined silver in the world is estimated at \$4,000,000,000. Of that sum, something like one-half has been coined since 1873. According to the same authority more silver has been coined during that period than

any like period of free and unlimited coinage.

France has been cited as an example of a bimetallic country, and statements have been frequently made that she reserves and exercises the right to pay at least a part of her obligations in standard silver. As an explanation of the financial conditions in France and a refutation of the misstatements frequently made by the advocates of free silver, I beg leave to make use of the statement of the gentleman from Georgia [Mr. Turnen], which is as follows:

of the gentleman from Georgia [Mr. TURNER], which is as follows:

France tried the experiment of an international agreement and joined in what was called the Latin Union, a union with Italy, Switzerland, Greece, and Beigium, by which they fixed a ratio between the two metals, and international coins of the same weight and fineness circulated freely in all the countries named. That union has been dissolved; and since France has refused the free coinage of silver the coins of like value in these other parts of the Latin Union that happened to be in France have been rejected by the shopmen everywhere, and in addition to that, the Bank of France has recently returned to Italy, under a sort of Government auspices, two or three millions of dollars in Italian silver coin because in French people would no longer take them, although they were a party to their coinage.

In France the Government has no damand notes outstanding, while we have \$500.000.009. France has no such thing as agitation for free coinage at 15 to 1 by France alone, as a menace to its system of finance. In this country our stock of gold, with a population of over 70.00.000 of people; is \$618.000.00. In France the stock of gold, in a country of about 35,000,000 inhabitants, is \$850,000.000.

stock of gold, with a population of over 70,000,000 of people, is \$318,000,000.

The per capita allowance of gold would be in this country \$8.73. In France it would be \$22.10.

How is twith silver? In the United States we have a total, including the coinage of limited tender, of \$825,000,000 of silver—more of it than gold. In France the silver is \$487,000,000. With uncovered paper estimated—for all this enters into the calculation—we have on the basis assumed in the Treasury, which excludes the paper in the Treasury and the Sherman notes, but taking the basis of uncovered paper there after the gold reserve is deducted, we have a per capita of uncovered paper amounting to \$5.22, while in France it is only \$4 cents.

Now, let us run that out. I here use the figures of the gentleman from Mississippi [Mr. Carchinos]. France holds \$33,000,000 more gold than we do, and she has only about one-half of the population. France holds \$34,000,000 less of uncovered paper than we do. If we had the same per capita of silver in France, we would have \$1,901,279,700 of gold. Taking the per capita of silver in France, we would have \$1,901,279,700 of gold. Taking the per capita of silver in France, we would have \$1,901,279,700 of gold. Taking the per capita of silver in France, we would have \$1,901,279,700 of gold. Taking the per capita of silver in France, we would have \$1,901,279,700 of gold. Taking the per capita of silver would have \$39,329,200 instead of \$416,700,000. With such resources at his command, our Secretary of the Treasury, with such a limited strain for redemptions, would be happier than he has been for many a day.

The Bank of France has a monopoly of note issues, and keeps its paper almost entirely covered with gold and silver. It largely conducts the fiscal operations of the Government, which appoints its president and two of its vice-presidents. But the bank's assets are not those of France. It does not pay out as much silver as does our Treasury per and we receive nearly all our revenues in that currency. We ho

What would be the effect of the free and unlimited coinage of silver at a ratio of 16 to 1 on the business of the country, if it be true that silver monometallism would follow (and about that there can be no reasonable difference of opinion)? The demonetization of gold would inevitably follow. The circulating medium of the nation would be contracted by the amount of the gold which would be driven out of circulation. The use of a cheaper standard of value would enhance the price of all the necessaries of life. The individuals and corporations who have money would reserve the better money for themselves and use the cheaper money in the marts of trade. The laboring man, who has nothing but his day's work to put upon the market, would find that, while all else was appreciating in price, his wages would be the last to rise and the first to fall. With the purchasing power of his day's work constantly sinking and every necessary of life constantly appreciating in price, he would speedily discover that his condition was rapidly becoming worse.

Gentlemen here insist that with the remonetization of silver the price of wheat will be doubled. Will the remonetization of What would be the effect of the free and unlimited coinage of

silver double the wages of the school-teacher and the fixed salaries of all the other common people throughout the nation? Are we to be forever harassed with expressions of these fallacies in the interest of the country? Is the cheapening of the necessaries of life an unmixed evil? Is not the inventor of the labor-saving machine and the discoverer of unseen forces of nature who reduces them to subjection and makes them subservient to the uses of man a

to subjection and makes them subservient to the uses of man a benefactor of his race?

We have been frequently referred to the prosperous condition of the silver monometallic countries of the world. It has been well said by a member on this floor, Mr. Grow of Pennsylvania, that succeeding generations will read in amazement the discussions of these questions on the floor of this House at this time, in which well-informed gentlemen cite the prosperity of the pagan nations of the earth and compare it with conditions in this country to our disadvantage.

nations of the earth and compare it with conditions in this country to our disadvantage.

Mr. Chairman, the truth is that the most abject condition the people of this Republic have ever experienced would be unexampled prosperity in Mexico or China.

The remedy for existing conditions is a revenue sufficient to discharge the current expenses of the Government and leave an annual balance for the liquidation of a portion of the national debt—a sufficient gold reserve in the Treasury to preserve the parity of all our dollars, using the output of our own silver mines.

The revenues should be derived mainly from tariff dues gauged as to protect the wage earners of the nation and preserve.

The revenues should be derived mainly from tariff dues so gauged as to protect the wage earners of the nation and preserve business prosperity throughout the country.

Mr. Chairman, the people of Kansas are in favor of bimetallism, not theoretical butactual bimetallism. How is that accomplished? There is not a civilized nation upon the face of the globe to-day that has actual bimetallism but is preserving that bimetallism by limiting the amount of standard silver coin, and keeping a gold relimiting the amount of standard silver coin, and keeping a gold reserve sufficient to make the cheaper money interchangeable with the dearor. There is no other practical bimetallism under the sun, and every country upon the face of the earth that has free and unlimited coinage of silver to-day, at any ratio, is a silver monometalic country. Their money sinks in purchasing power to its actual value. The stamp of the Government, with the statute behind it, may give it debt-paying power within the Government, but it does not confer purchasing power.

I represent, I undertake to say, a larger proportion of pensioners than any other member on this floor. The gentleman from Pennsylvania, Mr. Grow, with his colleague, Mr. HUFF, perhaps represent a larger number; but divide the number between them, and I still represent a greater number of pensioners than any member in this House.

any member in this House

Adopt this silver substitute that comes to us from the Senate, and we descend immediately to a silver basis with a dollar as the measure of value which is really a 50-cent piece. I represent thousands of pensioners in the State of Kansas. If I were to support this Senate substitute I would help to sever in twain the purchasing power of every pension, so that these pensioners instead of getting on the average \$100 per annum of purchasing power would receive each of them only about \$50 per annum of purchasing power.

purchasing power.

[Here the hammer fell.]

Mr. PITNEY. Mr. Chairman, I ask unanimous consent that
the time of the gentleman from Kanaas be extended five minutes.

There is a superior of the property of the

There was no objection, and it was so ordered.

Mr. BLUE. I undertake to say, Mr. Chairman, that no true friend of the pensioner on this floor can vote for the free and

Mr. BLUE. I undertake to say, Mr. Chairman, that no true friend of the pensioner on this floor can vote for the free and unlimited coinage of silver.

Mr. PICKLER (sotto voce). That is a fallacy.

Mr. BLUE. As the gentleman from South Dakota has made that suggestion in an undertone, I ask him to point me to a single country on the face of the globe to-day that has free and unlimited coinage of silver and has not, as its standard of value, a 50 per cent coin, so far as its purchasing power is concerned. If he can point out any such country I will thank him for the information. There is none; and the united experience of mankind is worth more than all the argument that is based upon theory without experience. The truth is that the gold-standard countries and the bimetallic countries have 85 per cent of the commerce of the world, and the pagan nations and others having free coinage of silver control the other 15 per cent. In every gold-standard and bimetallic country on the face of the globe weekly collections are taken up in the churches to send missionaries to the free silver countries to convert the heathen. [Laughter and applause.]

Now, Mr. Chairman, permit me to say that I voted for both the measures, the revenue bill and the bond bill, as presented by the Ways and Means Committee of this House. In deference to the instruction of the convention which nominated me I shall vote for the amendment offered by my colleague, Mr. Long, confining the coinage of silver to the American output, but I shall vote for it with the distinct understanding that the platform upon which I was nominated says that the Republicans of Kansas favor the

coinage of the American output under such conditions and restrictions as shall preserve the parity of all our dollars in debt-paying and purchasing power.

I shall vote to nonconcur in the Senate substitute as it is presented, and I shall vote to insist on the House bill. In doing so I shall have an approving conscience, and an abiding confidence that I shall have the support of the patriotic and honest people of Kansas. [Applause.]

Coin Redemption Fund.

SPEECH

HON. WILLIAM H. DOOLITTLE.

OF WASHINGTON,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. DOOLITTLE said:

Mr. SPEAKER: Being an American, and a Republican, and a protectionist, I shall vote for concurrence in the Senate amend-

ment now pending.
I shall vote for it because I desire to see progress made in the derelapment of manufacturing, agriculture, mining, domestic and foreign commerce, and in all ways by which the people of the Union can be employed, and because I desire, above all things, to comply with the conditions which alone can bring to this country

the great prosperity our people are entitled to enjoy.

I shall vote to sustain this amendment because I am possessed of convictions as firmly embedded as truth itself upon this subject, or convictions as arminy embedded as truth itself upon this subject, and do not believe it to be in the interests of the American people, whom we are on this floor to represent, that the single gold standard shall be permanently established in the United States, and so long as I shall cast a vote, simply representing the views of my party, and my own views, at the polls or on the floor of this House as a representative of an intelligent and most worthy constituency, such vote shall at all times be cast on the side where I believe the

such vote shall at all times be cast on the side where I believe the interests of the people of my State and the masses of the people of the American Union are.

At this time and in this body, and with the dominancy of the present Administration, no man of ordinary information can believe for a moment that success will attend the efforts of those who either speak, vote, or otherwise labor in behalf of the emancipation of the American people from the blighting curse to all our industries, and all American interests, proceeding from the single gold standard of values now prevailing.

single gold standard of values now prevailing.

That the single gold standard should exist in the United States is unnatural, un-American, unpatriotic, and a thing that should have been resisted by the American people as the American people would to-day resist the invasion of a foreign foe.

In so far as present conditions and those of the future are con-

cerned, it makes no difference, in my judgment, what the history of the past may disclose relative to the demonetization of silver in this country, who engaged in that work, or whose selfishness or greed was the motive culminating in that act.

I wish to see the people of this country inform themselves and well understand the evil results that have come upon us from that demonetization, and that the single gold standard of values has been for the past three years, now is, and ever will be so long as it shall continue, one of the fiercest, most implacable enemies to the development, commerce, and business of this country that the people of the country have ever been called upon to contend with.

The single gold standard and free trade would be the most effective means that could be made use of by the worst enemies of this country and its prosperity, if destruction of everything American which we of this generation have always been proud of were premedifated and designed.

I care not whether a crime was intentionally committed in 1873 or whether it was a criminal blunder on the part of legislators. As to that it makes no difference to the American people, for no one can be brought to justice or made to suffer a penalty. It is a thing of the past. Existing conditions, with a just regard for the future, are the only subjects with which the people of this country

which the birdy states with which the people of the country and this Congress are called upon to deal.

We do know, however, as we know of our own existence, that the establishment of gold in the United States as a standard of all values is the thing above all things that the holders and owners of money in Europe, and especially in Great Britain, together with

their worshipers and satellites and agents in this country, most

We also know that the banking interests here, dependent in a greater or less degree upon their credit with the great wealth holders of Great Britain, are entirely in harmony with the wishes of those across the water, and are blindly disregardful of the true interests of the masses of our own country.

We also know that the borrowings of this country, both public and private, have been, during the past twenty years of our national development, so enormous that the sum is well nigh incomprehensible to the human mind, reaching many billions of dollars in its total.

We also know that Great Britain is a manufacturing country and a commercial nation, whose hands and footprints are in every part of the world where there is production at the expense of human effort. Her ships are on every sea, her merchants are in every commercial capital, her traders are in nearly every city and

The products of the skill, labor, or traffic of her people are, in some form, upon the backs or in the habitations of almost every human being the world over.

She has made herself the banking and commercial nation of the world, and thus stands to-day. She has the means at her disposal through the channels of business she has established and the means of communication and transportation she has builded by various of communication and transportation she has builded by various paths and lines, radiating in all ways, to fasten her grip wherever a demand may exist for anything she can handle in trade, or which the skill of her people can produce, and thereafter exact full payment in money of the standard she has exalted or its equivalent. Whenever that country and its traders and bankers can not use, as profitable in agriculture or manufacturing, the energy and intelligence of her own people on that island, which is more than anything else the seat of the British Government, she ruthlessly brushes aside the demands for labor and employment of her own

brushes aside the demands for labor and employment of her own humbler children, and without hesitation or remorse employs the coolie classes of India and China, or those who are well prepared to compete with the coolie, in the production of the articles she requires for consumption or to be used as the means of profit getting in her trade and traffic about the earth; and her colonies are

ting in her trade and trame about the earth; and her colonies are simply her stepping stones across the seas in her progressive wealth gathering around the world.

The United States is fitted, by reason of its geographical location, the intelligence and skill of its people and their inventive genius, the great extent of territory, its hundreds of excellent ocean harbors, the natural wealth of its fields, forests, and mines, and in all ways, to make itself the more than successful competitions. and in all ways, we have test the more than successful compet-tor of the present mistress of the seas. Those intelligently en-gaged in the active supervision of the world's progress, as are those managing the destinies of Great Britian, well realize the truth of this statement, and the continued dominancy of that country can only prevail so long as the influences of that country are sufficient to substantially control the affairs of the United

Whenever the people of the American Union can see and understand that they occupy of right the place of vantage of all the earth and can easily be made the greatest of all factors and the greatest of all sharers in all the profits of commerce and business existent, then it will be easy to apprehend and throw off the withering influences which make forever the borrower the servant of the lender and this country, in common with nearly all other countries of the world, subservient to the will and uses of the British money newers.

British money powers.

It has been frequently stated in debate in this House, and is generally accepted as true by the Republican party of this country, that English influences and British gold have at all times been active in behalf of the election to national positions of free traders when elections have come about in the United States.

I have no question as to the truth of this charge.

Free trade and the single gold standard are twins, and hand in hand work in all seasons in behalf of British interests.

The one would open the markets of this country to the products across the water; the other, by its constant appreciation and increasing power to purchase, cheapens the price of the product they must buy.

This statement is in itself an unanswerable argument, and the American man who disregards its truth is, in my judgment, either unintelligent, willfully blind, or determinedly opposed to

the welfare of the people of his own nation.

It seems altogether unnecessary that I should here state that which has been stated so often, and with absolute truth, that by cutting out the coinage of silver in the United States the purchasing power of the yellow metal has been enormously increased.

This fact, I think, has been admitted now by nearly every intelligent man in the Union.

Now is it necessary to say that the values of property have

Nor is it necessary to say that the values of property have abrunken in the United States during the past three years correspondingly.

You have seen during this time one-half of the values at which real estate was bought and sold ooze out and evaporate, and so it is with nearly all other property, and the people all over the country are rapidly getting to understand and know that this has been and is the direct effect of the same action in all other countries, and thus they reason that neither tariffs, taxation, nor anything of their bind can be solely at the bettern of their difficulties. of that kind can be solely at the bottom of their difficulties, and that something more universal in this country and all other single gold-standard countries has occurred to bring about such a

palpable change in the value of the property of men.

"Loss of confidence," "hard money," "honest, honest" money have been the cries of the claqueurs of the money holders of Great Britain and their servants, the borrowers and dealers in money in the United States, while all these people have been engaged in erecting in this country on a broad, firm foundation and base their single gold standard. single gold standard.

single gold standard.

England in the meantime, the keystone of the gold arch of the world, while enjoining upon the United States the sacred duty of supporting that arch to the uttermost morally, and to them in more substantial ways, has availed herself of the abundant opportunity to purchase the silver bullion, crucified and disfigured as it has been through her influence most largely in the United States, coining it with the stamp of her Queen on one side and the Asiatic characters on the other, declarative of the quantity of silver in the coin, then using this in the Oriental countries, unlocking the commerce of the East with it, as unblushingly as though silver were the money of her choice, and thus cutting a codge! silver were the money of her choice, and thus cutting a cudgel from our own soil with which to break American heads; and to-day British subjects in the city of Hongkong have completed, or day British subjects in the city of Hongkong have completed, or have nearing completion, a great mint for the purpose of the coin-ing of this kind of silver money, and the American people blindly shut their eyes and allow themselves to be outwitted, coopered, and controlled, and their opportunities taken from them for profit-able trade and business by the bankers and commercial men of the tight little island across the Atlantic, and utter no word of protest, but use their voices to praise in ceaseless hosannas the golden standard of our country's greatest comparation energy

what cares England for the fact that fields are rich in production, population enormous, and wages next to nothing in the Orient?

These are factors she turns readily to her own account and profit, s she turns the interest and credulity of the gold bugs infesting

as she turns the interest and credulity of the gold bugs infesting this country at the present time.

The chimneys of her factories in Manchester and other cities may be smokeless, the hum of their machinery stopped, and want and destitution everywhere prevail among those who were formerly operatives in English factories in consequence of upbuilding of manufacturing in the Orient.

Her trading can go on in her own ships, whoever is the producer. Cargoes are as easily purchased and sold whether the blackhaired races of Asia or the fair faces of England are over the toil, as the process of production goes on.

Can Americans suppose that had England been the possessor of the silver the Almighty placed in the rugged hills and rock-strewn

the silver the Almighty placed in the rugged hills and rock-strewn mountains of this country, or had she continued dominion over this country, expanding as it has, that wise Government would have ever consented to or permitted the demonetization of the sister metal of gold?

Farsighted business sense displayed by English statesmen makes the negative answer as emphatic as was ever the thunderings of her guns on any field of strife.

Great Britain would have said no to such a proposition with

indignation and resentment, for silver has always been, during all the generations of men, accepted, appreciated, and eagerly sought for as a money metal in common with gold, wherever trading and business have been known among the children of man, down almost to the present day, save where, as in the case of England and the other now gold-standard countries, some especial and unfair advantage was either sought for or enforced; and I undertake to say here, and in this presence, that no living man or men can furnish the evidence that overproduction of silver has ever been the cause of its demonetization.

Overproduction, as well as the physical weakness of American manhood to carry about some portion of this species of wealth, has been urged by the ignorant and unscrupulous against the use of silver, but that the production of silver has ever been increased over the corresponding production of gold has never been and can never be proven

never be proven.

Of course, the production of silver has been greater within the past decade at times than it has been at prior periods, but the production of gold has been found to closely parallel that of silver in proportion to its natural ratio.

Both of these productions no more than keep pace with the increase of the world's population.

Now, the use of silver as a money metal has been relegated to Oriental countries and the Latin-American States.

I have heard it asked on this floor repeatedly, during the debates.

I have heard it asked on this floor repeatedly, during the debates

of the last Congress, whether the people of the United States wished to align themselves with the intelligence of the earth, or did they wish to make their beds with the semibarbarians of the Orient and

wish to make their beds with the semibarbarians of the Orient and with the Mexicans and South Americans.

I tell you here to-day, standing in this House of Representatives, that as an American I will cheerfully align myself, and so will my constituents, and intelligent and loyal they are as the citizens of any American State in the Union—we will all align ourselves with the people with whom we can transact business and build an ecomograpial relations to our own profit and the advancement. up commercial relations to our own profit and the advancement of our interests, rather than will we make our beds, if bed we must make with anyone, with the people across the Atlantic, with whom we can not deal or trade with profit, save as to those lines we pro-

we can not deal or trade with profit, save as to those lines we produce which they must purchase of us.

They buy our breadstuffs and our meats only as a cold-blooded business proposition and because they obtain them from us at a cheaper rate, the quality of these products considered, than they can buy them elsewhere.

The only fields remaining to-day for profitable investment in the way of commercial venture lie across the Pacific from our western coast and in the Latin States of this and the southern continent.

In those countries the white metal is the money and the yellow metal the commodity, and here I wish to speak somewhat of the

metal the commodity, and here I wish to speak somewhat of the development of manufacturing in Japan and among the Japanese

People.
That race has always shown itself quickly intelligent.
With all the wisdom of the East, these people possess the shrewdness of the West.

ness of the West.

Wages are low, as they are everywhere in the far East, and manufacturing is being developed in that country under the use of silver money with greater rapidity than such industries have ever been developed elsewhere, and to such an extent and perfection is it carried on along many, many lines, and so greatly is the use of silver its protection, that the American people have reason to be apprehensive of a fierce competition speedily between the production of the skill of that neonle and the output of manufacturing. tion of the skill of that people and the output of manufacturing in this country.

In those countries the production is on a silver basis.

As we all know, wages are low, but labor is satisfactorily recom-

pensed.

These people have during the ages past solved many of the questions of life that we are just beginning to discern, and live cheaply and happily on the wages their industry brings.

They are even now invading American markets with many lines of goods.

Last spring I was informed that one and one-quarter millions of cotton spindles were in operation in that little Empire of less than 50,000,000 of people, and that the number would be increased within a year to more than 2,000,000.

within a year to more than 2,000,000.

The recent fair at Kioto, commemorating the twelve hundredth anniversary of the establishment of that city, the ancient capital of the Japan of the Shogan, the Samuri, and the Ronin, must have convinced the thousands of Western people who visited it of the fact that skillful manufacturing along nearly all lines was well on its way in Japan.

China, with the determination now evident among the leaders of that people to build railways and develop the territory of that most ancient Empire of the world, will soon take her place in the

van of progress.

van of progress.

The energies of her people along those lines will be either invoked or compelled by the forces at work.

With China's four hundred and sixty-odd millions of human beings, who can doubt the result, when large portions of her people, adaptive and skillful as they readily are, when once engaged in factories, machine shops, and all the industries of which they are capable, acting as they will in company with Japan and the other silver-using countries, with their production upon a silver basis, if we adhere to the single gold standard, disparaging as it does the value of everything we possess until even now the veins and arteries of commerce everywhere outside of our great cities

does the value of everything we possess until even now the veins and arteries of commerce everywhere outside of our great cities and Eastern money centers are shriveling and blackening and drying up for lack of money, the lifeblood of trade and business.

Still the cry among you men who believe in the single gold standard is that you heartily, sincerely, and earnestly desire bimetalism in the language of the platforms of the parties, namely, the use of both gold and silver as standard money; and the able gentleman from Maine the other day, at the opening of this debate, adjured us to push forward earnestly, buoyed by hope, toward the goal of an international agreement, of course England to be considered as one of the powers and parties to such an agreement.

goal of an international agreement, of course England to be considered as one of the powers and parties to such an agreement.

You might as well sit yourself on the eternal ice fields forming the grandeur and crown of Mount Tacoma's lofty dome and pray the sun of heaven to melt away the accumulations frost has imprisoned there at that awful height during the ages past, and that verdant fields and orange groves should cluster about the brow of that grandest of all nature's pyramids, as to talk of inducing cold-blooded, regal England to cast aside the gold stand-

ard, the source of so much wealth to her and injury to us, and enter into an agreement for the use of American silver at the ratio of 16 to 1.

The American people look to the Republican Congress and to the Republican party for the relief they demand and a restora-tion—at least, to a fair degree—to the prosperity they have heretofore enjoyed.

That prosperity never can come to them under the single gold standard they either know or will know where this fact is not already known.

The enactment of tariff legislation is assuredly of vast impor-tance, but as I have indicated before, protection must be consistent with itself.

To add to the use of any article, however slightly, either increases the value of such article or stiffens the demand for it, and in that way the tendency is the same.

The coinage of silver does not, as some have here asserted, cheapen the price paid for labor.

That is simply another slander, malicious and intentional. It should never have been uttered at all against the white metal.

should never have been uttered at all against the white metal.

The coinage of silver simply means independent, patriotic American action in behalf of one of the great and exceedingly valuable resources of our common country and an increase in the volume of basic money in the United States, indispensable to the essential development and carrying on of the business of the country.

It means the employment of labor in field, mine, forest, and factory, where labor can not now find employment, and the recompensing of such labor satisfactorily and to the extent of fully enabling it to purchase of the necessities and luxuries of life as much as it ever has purchased in the history of mankind.

It means the throwing of a wall of protection about the industries of this country, both direct and effective.

It means, when coupled with wise tariff legislation, the utter

It means, when coupled with wise tariff legislation, the utter reenfranchisement of the American people.

Therefore, as I said at the outset, I shall with satisfaction vote

for the Senate amendment.

Unlimited Silver Coinage.

SPEECH

OF

HON. JONATHAN P. DOLLIVER,

OF IOWAS

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. DOLLIVER said:

Mr. CHAIRMAN: If the House will hear me, I will speak for a time on some of the practical phases of the question before us. It time on some of the practical phases of the question before us. It is to be regretted that the matter comes here in the form of an amendment to the House bill relating to the coin redemption fund, and that the measure originally sent to the Senate comes back entirely stripped of its subject-matter. Without pausing to consider the invasion of the dignity of this House involved in the action of the Senate, I will only say that we can not submit to it without a less of the influence which belongs to the House of Representatives under our system of Government. We sent to the Senate a measure the adoption of which would have enabled the Government in borrowing money to have the advantage of a lower rate of interest, a shorter term, and of that publicity which ought always to attend the use of the national credit.

always to attend the use of the national credit.

The Senate, without making any effort to amend or to repeal the law of 1875, under which the Secretary of the Treasury had already three times negotiated the sale of bonds at an exorbitant rate of interest and running for an unreasonable length of time, chose to ignore entirely the bill of the House, except for the purpose of attaching to its enacting clause an elaborate scheme for the gratuitous coinage into American silver dollars of every 50 cents' worth of silver which the world might be disposed to present at our mints. The proposition of the Senate raises a question in which the people of the United States have been interested for many years, and to that I propose to direct the attention of the House. I will say, to begin with, that I do not enter the debate for the purpose of executorized degrees the propose of the propose of executorized degrees of the propose of executorized degrees of the propose of lwill say, to begin with, that I do not enter the debate for the purpose of scattering dogmatic opinions, foreclosing the opinions of others. It appears to me that the matter is one of such complexity as to make sharp differences of judgment unavoidable. I have never heard the silver question debated, either in this House or among the people, without feeling encouraged by the reflection that this is the only country in the world where difficult questions of economy and finance can be safely submitted to the decision of the whole records. the whole people.

In other nations these problems are for the exchequer and the cabinet. In our country, from the beginning, they have been left in perfect safety to the conservative judgment of our fellowleft in perfect safety to the conservative judgment of our fellow-citizens. Give the American people a reasonable time for discussion and for reflection and there is no problem in the man agement of human affairs that may not be submitted with confidence to their wisdom. I think I may say, without offense, that this is especially true of the people of the State which I have in part the honor to represent in this Chamber. Therefore, if I were without convictions of my own resulting from a study of this question, which, whatever its defects, has at least been diligent and faithful, I would feel secure in relying upon the average judgment of the people of Iowa, expressed without a dissenting voice, in the convention of the Republican party of 1895, in these words:

We reaffirm the declaration of the Republican national platform of 1862, adopted at Minneapolis, that the American people from tradition and interest lavor binetallism and the party demands the use of both gold and stiver as standard money with such restrictions and under such provisions as will secure the maintenance of the parity of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be at all times equal.

I do not ignore the fact that there are differences of opinion in the Republican party with reference to this matter. When I heard my friend from Minnesota [Mr. Towne] the other day, giving the House the result of his patient and conscientious investigation of the subject, I could but feel gratification and pride that the Republican party in the United States is large enough that the Republican party in the United States is large enough and generous enough for every honest man's opinion upon any of the complicated questions of Government and finance. [Applause.] I rejoice that the opinions of every Republican, based upon sincere conviction, are received respectfully and hospitably in any part of the United States within the ranks of the Republican party. On a question like this, when every man ought to keep his mind open to the new light of larger knowledge, it appears to me that there is no place for taunts and epithets, but a call rather for the exercise of thought, of labor, of research, and above all of neighborly kindness and good will. [Applause.]

There are only a few things in the controversy which any man

There are only a few things in the controversy which any man can be sure of. That is true of this world in which we live. I once bought the book of an eminent Boston divine on Certitudes in Religion in order to find out what the certainties are in that field of inquiry, and after reading it and rereading it I made out that the certainties are in that that, according to my Boston guide, there are only two things that we can be entirely sure of, one is that we are here and the other is that we are going hence [laughter], and that everything clse is a matter for speculation and for faith. It is so in all the practical fields of life where the world's great debates are carried on; there are only a few things that a man can be absolutely cer-

In reflecting on the money question I have found one or two things in respect of which my mind has been entirely delivered of any doubt. One of them is that whatever kind of money we have in this country it ought to bear the image and superscription of the nation itself, and not the mere authority of some State leg-It is a matter for congratulation that whatever its views about the money question in general, Congress shows no disposi-tion by any act of national legislation to bring back the half-forgotten promissory-note factories of the last generation. [Ap-

There is another thing that I think we may rely upon with a reasonable degree of assurance, and that is that whatever kinds of money we have in the United States every dollar shall always be kept exactly equivalent in value to every other dollar, so that if a man happens to have a dollar he may know exactly what he has, and if a man happens to owe a dollar he may know exactly what

he owes.

The most of our troubles, in connection with what may be called, without offense, popular hereses on the money question, arise out of a failure to exactly apprehend the nature and office of money. A school of opinion has grown up in the United States which appears to think that the only office of money is to pay debts, and I confess that I have had such a monotonous experience all my life with debts that I have sometimes given a rather ready ear to that view of the philosophy of money. But the truth is that the chief function of money is not to pay debts, but to buy goods. The best definition of money I ever heard I found in the goods. The best definition of money I ever heard I found in the writings of the German jurist, Savigny. I have treasured it in my memory because you can always rely on a German student to come to a sound conclusion upon any matter to which he may apply himself.
It is a tribute to the clearness of German thinking that the Ger-

The is a tribute to the clearness of German thinking that the German press of the United States is practically a unit in its defense of sound and coherent ideas on the money question. It has furnished neither aid nor comfort to the Populist agitation of these times. For that reason I have always fallen back in seasons of doubt and perplexity on the old German definition of money: "Money is—eine allgemeine vermögen-macht—a universal purchasing power."

chasing power."

If money were only a debt-paying power, then it would be literally true that Congress could declare anything to be money, by providing that it should be a legal tender in the discharge of debts. But the American people are entitled to a money that is not only good to pay with. but good to buy with. Therefore the Republican party refuses to put affoat a dollar differing in value from the coins now outstanding, and depending for its acceptance in the business world upon laws compelling people to take it in discharge of debts. discharge of debts.

The silver question is the oldest money question in the world.

Thy silver is become dross, thy wine mixed with wat

thundered the old prophet in that inspired indictment of the crimes of Judah and Jerusalem, contained in the first chapter of Isaiab—words of scripture that were to become the text centuries later for brave Hugh Latimer to threaten the vengeance of God against the debasement and degradation of the coins of the realm of Edward VI.

Thy silver is dross, it is not fine, it is counterfeit. Thy silver is turned. Thou hadst good silver.

The silver question is the oldest monetary problem we have had The silver question is the oldest monetary problem we have had to deal with as a nation, and we took it up after the Governments of modern Europe had been dealing with it, with varying experiences, for centuries. It has become the fashion to set aside the judgment and authority of writers and students of our own day who teach sound monetary science, as under the influence of what is vaguely called the money power of Europe and America. For that reason it is not without interest to go back far enough in the history of the question to get the authority and judgment of thinkers and teachers who can be accepted without the suspicion that they were influenced by avid surroundings. that they were influenced by evil surroundings

that they were influenced by evil surroundings.

I intend to take the writings of three great men, in three separate languages, dealing with the same problem, and see if I can get from them a platform of first principles for our guidance in disposing of the present aspect of the silver question. First, I will take the treatise of Nicholas Oresme, the most distinguished man of France of the fourteenth century, who was a counsellor of Charles the Wise when he had the silver question on his hands, very much as we have to-day. At the request of the King, when he had determined on a reformation of the coinage, Oresme produced his treatise on money, a work of surpassing interest, for the rescueof which from neglect the world is indebted to Professor Roscher, of Leipaic.

Roscher, of Leipsic.

Roscher, of Leipsic.
So I open the work of Oresme without any fear that Wall street has bought him up. By its side I lay down a volume called The Ratio of Coined Money, of the date 1526, one hundred and sixty years after the date of the work of Oresme. It is the reply of Nicholas Copernicus to Sigismund, King of Poland, who desired him to advise his Government in respect to the management of his mint. The little book has an interest for us because it contains the conclusions of one of the profoundest human intellects, who not only gave his name to the system of modern astronomy, but was one of the founders of an important school of economics. This book, in the handwriting of its author, is preserved in the

but was one of the founders of an important school of economics. This book, in the handwriting of its author, is preserved in the archives of Königsberg and has been included in the Warsaw edition of the works of Copernicus. So I lay the little book by the side of Oresme with absolute confidence that its author has not been corrupted by the Jews of Lombard street. [Laughter.]

By the side of these two books I will lay a letter addressed to Elizabeth of England, explaining the effect upon the monetary system of the attempt made by Henry VIII and his predecessors upon the English throne to float coins of different weight and fineness at the same time. This letter was written by Sir Thomas Gresham without knowledge of the conclusions of Copernicus and Oresme, so that the three witnesses, speaking three separate languages, if they agree together, make a strong case in favor of that in which they are agreed. We may pin our faith to what they say, and with your permission I will condense their philosophy into two sentences. I put it into two sentences, although it is practically one philosophy, and I am willing to stake this controversy upon the truth and wisdom of these three great students of finance.

finance.

The first proposition is that every coin manufactured under free coinage will, in the long run, have the exact value of the material out of which it is made. The second proposition is like unto it, that when a nation creates two coins of the same denomination, differing in value, it stands to lose instantly the circulation of the one which is undervalued. [Applause.] These two propositions express the uninterrupted experience of mankind and are confirmed by the testimony and authority of every great writer upon economical questions in every language of the earth. Our fathers gave diligent attention to the ailver question. The first thing they had to do with was a practical inquiry about silver. Some desired to establish a monetary unit of gold and others a unit of silver.

Mr. Hamilton, who was the founder of the American mint, and in my judgment the most productive thinker of Revolutionary times, the greatest intellect that gave the light of its genius to the rising Republic, thought that the double standard, based on gold

and silver, was reasonable and practicable, and so in establishing the mint he said distinctly that he desired the unit to rest on both the metals, and then set about to determine the ratio at which the comage should be made. He made diligent inquiry to find out what the commercial ratio between gold and silver was. He never dreamed that the mere act of coinage would operate to produce a correspondence between the mint ratio and the market ratio.

Our fathers opened the mints to the free coinage of both model.

correspondence between the mint ratio and the market ratio.

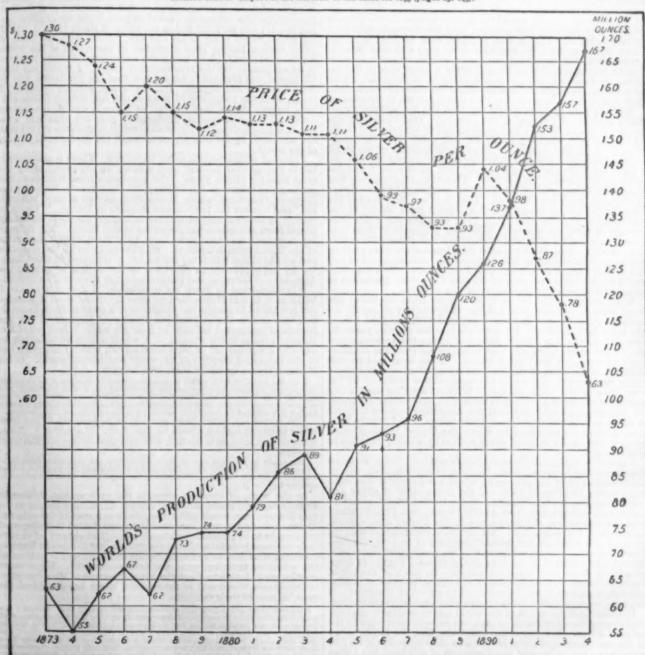
Our fathers opened the mints to the free coinage of both gold and silver at the ratio of 15 to 1, fixing the ratio so as to correspond exactly with the existing market values of the two metals. If there had been a modern free-coinage enthusiast present he would have said: "Now, gentlemen, stand back and watch this mint supply the American people with gold and silver for the transaction of their business." But the experiment did not operate in that way. Before many months the commercial ratio departed slightly from the ratio fixed by the act of 1792, and the business community speedily found itself confronted with the fact

that gold had totally disappeared from circulation in the United States.

Then came the old Democratic statesman, Thomas H. Benton, representing the frontier State of Missouri in the Senate, and began the agitation to bring back the use of gold in the coinage and business of the American people. I can recollect reading his speeches in his thirty years in the Senate, and one sentence out of them I have never forgotten. He said that he wanted the humblest workingman in the United States to be paid for his labor with a coin as good as the money of the crowned heads of the Old World. [Applause.] If a man were to get up in Congress to-day and say that he wanted the working people of the United States to have as good a dollar as was used by the crowned heads of Europe, our free-silver brethren would jump up and say that he had certainly sold out to the money power. [Laughter.] And yet what Mr. Benton said was sound doctrine then, and it is sound doctrine now.

APPENDIX 1

CHART NO. 1.-Report of the Director of the Mint for 1895 (pages 238-249).



So the act of 1834 was passed changing the ratio for the purpose So the act of 1834 was passed changing the ratio for the purpose of approaching more nearly the exact commercial ratio between gold and silver. That act cut down the weight of the gold dollar, not, as some have claimed, because silver was the exclusive unit, but because silver being in use and gold being out of use, the American people could change the ratio, by changing gold alone, without disturbing existing business relations and outstanding contracts among the people; and so the ratio was changed, not under a revelation from heaven that 16 to 1 is the correct ratio, but on a careful determination that 16 to 1 corresponded more nearly than 15 to 1 to the commercial ratio existing at that time. nearly than 15 to 1 to the commercial ratio existing at that time. Again the mints were open to the free coinage of both gold and silver, and an ordinary free-coinage philosopher would have said,

"Now you can all see the blessings of an unlimited coinage of gold and silver in the business of the American people."

But it did not work that way. An insignificant departure of the commercial ratio from the mint ratio caused silver to disappear from use in the United States. From 1834 to 1873 the coinage of silver dollars was only nominal, and the use of silver dollars was only nominal. age of silver dollars was only nominal, and the use of silver dollars was practically unknown in the United States. The reason for this is very simple. The coin partook of the exact value of the material out of which it was made. The material being worth \$1.08, of course nobody would bring it to the mint for the purpose of having it converted into a dollar, and the few coins that were minted being worth more than a dollar, were hoarded or melted down and exported. We could not even keep a 10-cent piece in circulation. The fractional coins were bought up and reduced to bullion for export, so that in 1853, after a great debate in Congress, the fractional coinage was debased for the express purpose of reducing the value of the coins below the value of the material

bullion for export, so that in 1858, after a great debate in Congress, the fractional coinage was debased for the express purpose of reducing the value of the coins below the value of the material that was in them, in order that they might remain in circulation. We hear a good many people say that the act of 1873 struck down one-half the money of the country. That statement had always sounded well as declamation, but it ignores the truth. The act of 1873, whatever it did do, took away no silver money from the American people, for, from the foundation of our mint, the total output of coined dollars was hardly in excess of 8,000,000. I heard one man say the other night that there were fractional coins in circulation. That is true. I heard another man say that there were in use a lot of foreign coins made legal tender by act of Congress from time to time. That is true. But neither the fractional coins nor the legal-tender foreign coins belong in this controversy, since the act of 1873 in no wise affected either their coinage or their circulation. Whatever happened to them happened long before 1873, and is therefore not chargeable to that act. And so when I find a man in this House or elsewhere telling the people how the act of 1873 deprived the business world of any use of silver which it then enjoyed, I set him down as a man wheelther needs further training in the ethics of public discussion or primary instruction in the history of this question.

What did the act of 1873 do? It dropped from the list of our legal coins an obsolete coin, a dollar that was out of use on account of its difference in value, compared with the gold coin of the same denomination. Thus we see that for seventy years the free coinage of silver dollars, instead of giving the American people the use of silver dollars, instead of giving the American people the use of silver dollars, instead of giving the American people the use of silver dollars, instead of giving the American people the use of silver dollars, instead of giving the American p

free coinage of silver dollars, instead of giving the American peo-ple the use of silver literally took away its use from the commer-cial community of the United States. It has been said in this debate that the effect of the demonetization of silver has been to cut in two the prices at which the commodities produced by human labor in this world are sold. Without entering upon a discussion of the tendency of prices since 1878, and without entering, for the present, on a discussion of the connection between the price of silver bullion and the price of other things, I will inquire for a moment into the reasoning by which the United States is called upon to restore the value of silver bullion by opening its mints to

I intend to be absolutely candid in this matter. When we know the causes that have cast down the price of silver bullion, we can judge rationally of the process by which the friends of free coinage propose to bring it back. If the fallen value of silver had come from the unfriendly action of the United States, abandoning its free coinage, and from no other cause, then I might admit that the restoration of free coinage in the United States would operate to undo the mischief. All careful students admit that the value of silver bullion has fallen on account of two main causes. First, the extraordinary increment in its production since 1873. Second, the action of the nations of Continental Europe in dropping silver from their standard coinage. So much of the fall

ping silver from their standard coinage. So much of the fall of silver as comes from the increase in the annual product of bullion can not, it appears to me, be corrected by an act of Congress. It belongs to a jurisdiction beyond the reach of legislative enactment. The closing of the mints of the world has undoubtedly contributed somewhat—how much no man can say—to the decline in the value of silver. It seems to me reasonable that the falling away of the consumption of silver involved in the suspension of its free coinage can not be ignored in a discussion of this kind, but I wish to say to this House—and I challenge dispute of what I say—that

there is not a serious student of this question in the Old World, writing in any language, who affirms that the action of the United States in 1873 contributed to that result in any respect whatever. If there is any man in this House who knows the name of a great writer in any language of Europe who attributes to the action of the United States in 1873 any share in the decline in the price of silver bullion, I will pause now to have the name of the writer mentioned. And, Mr. Chairman, I pause in vain, because every student knows that the attitude of the United States toward silver in 1873 was such that they did not, and in the nature of the case could not, abridge its use, in view of the fact that for more than a could not, abridge its use, in view of the fact that for more than a generation the standard silver dollar had been out of use among the people of the United States, so that the act of 1873, instead of creating a new condition, only recognized the condition which had prevailed in this country for forty years. So it is that the sober students of the question in the Old World agree that it was the unfriendly legislation of the commercial countries of central Europe which depreciated silver in so far as legislation has contributed to its decline.

Mr. Chairman, I listened with great pleasure the other day to my friend from Minnesota [Mr. Towne], and I find it possible to agree with much that he said. I find it possible to agree that the action of the commercial world adverse to the use of silver has the action of the commercial world adverse to the use of silver has had much to do with the fall in the value of silver bullion, and if my friend would come to me and say. "Now, then, the value of silver bullion having been disturbed by the action of the whole commercial world, let us bring the commercial nations together in an agreement for the restoration of silver," I would say that his appeal was founded in reason and that his conclusion was at has appear was founded in reason and that his conclusion was at least coherent and logical. But my friend, parting company, I think, with the judgment of most of our Republican fellow-citizens, having shown that the fall of silver is due to the hostile action of many countries, deliberately proposes that our own mints, acting independently, shall attempt to undo the injury that has been done by the concurrent action of the commercial powers of the world.

of the world.

I listened with attention to his argument. There is no bimetallist in Europe that has not been making an argument along the same lines for fifteen years. The gentleman from Minnesota has paid a great tribute to Mr. Balfour, the Conservative leader of the House of Commons, whom he describes as "an earnest bimetallist" and "one of the profoundest thinkers in Europe." I wish to what to the profoundest thinkers in Europe." I wish to hat" and "one of the profoundest thinkers in Europe." I wish to submit to the profoundest thinker in Europe the facts which my friend from Minnesota has presented to this House. Mr. Balfour has more than once used those facts, all of them, except the charts of my friend from Minnesota. He has employed all the statistics and all the tables which my friend has illuminated in this Chamber by his eloquence in reference to the decline of prices, the depression of business, and the evil aspect of the world's situation. It is interesting to mark his conclusion. I have it here, and I will read it to this House, because even my friend from Minnesota can not afford to degrise the judgment of a conscientious himstal-

can not afford to despise the judgment of a conscientious bimetal-list, who is also the profoundest thinker of Europe. I ask the friends of unlimited coinage to hear me while I read what Mr. Balfour says as to the wiedom of a single nation undertaking to undo by a hurried bit of legislation an evil which has grown out of the combined hostility of the whole commercial world. In his Mansion House speech of May, 1894, he says:

Now, the question with which we are concerned is whether it be or be not inexpedient to adopt by international agreement this double standard; and I am far from denying—and I think a bimetallist is a very poor friend of his cause who would deny it—that there are difficulties, difficulties of detail it may be, but still difficulties, inevitably attaching to the solution of this question. You would not believe that, gentlemen, to hear one of our freesilver brethren make a speech on this floor. [Laughter.] Now, what do you suppose is the first difficulty that strikes Mr. Balfour?

I have only to mention one of these difficulties, the difficulty, namely, of that shall be the ratio on which the nations of the world are to agree as that thich is to govern the future relations between gold and silver in the double andard.

In the name of common sense, is the profoundest thinker in Europe in doubt about the ratio? Why, sir, to hear the debate in this House a man would think the ratio was a part of the original divine revelation to man, and that if anyone denied it or disputed it he ought to be pursued for blasphemy. [Laughter.] Yet here is an "earnest bimetallist," and the profoundest thinker in Europe, declaring that that is the first difficulty confronting the nations of the world in agreeing upon the double standard. What more does he say? I wish to show you his photograph of these brethren in this House whose zeal in the cause of silver has disturbed the even balance of their faculties.

I believe there are individuals who cherish the dream that currency is a matter for the State to regulate independently and for itself alone, that with its currency no foreign nation has a right to interfere; that it is a matter simply for the citizens of every community in relation to each other, and that the outside world need not be taken account of at all in coming to a decision upon a question which is one of purely domestic policy. Ladies and gentlemen, this is a dream. I will go further and say it is a dream worthy only of a mediæval dreamer. We have long passed that stage in civilization

when each country was a self-contained, or approximately self-contained, national unit, and when it could afford to disregard the internal commercial relations of other countries. Those days have gone by They have gone by never to return, and I do not think there is a man in this room who regrets it.

This profoundest thinker in Europe seems to hold that the commercial world is a unit. No man liveth to himself alone, the Scriptures have taught us to believe; and no nation in these days lives to itself alone, and that statesman who would undertake to isolate a great commercial community like ours is literally dreaming a dream of days long since gone by in the history of the world's commerce and business. I have up to this point made no dispute in respect to the huge collection of statistical data upon which the in respect to the huge collection of statistical data upon which the argument for the free coinage of silver has long comfortably reposed. My friend from Minnesota presents a lot of tables here purporting to show that the average price of goods, wares, and merchandise has gone down throughout the world in the last twenty years, the argument being that these prices have been dragged down in the fall of silver.

These tables have been before the country ever since the silver question has been up for discussion. I have always had more or less suspicion of figures unless I made them myself, so I always look in a somewhat incredulous frame at statistics which some

look in a somewhat incredulous frame at statistics which some-body else is handling for my instruction. In the present case my suspicions are unusually active. We all know that there are in this world no large effects which come from a single cause, so that on the face of it, when a man comes to me and tells me that in twenty the face of it, when a man comes to me and tells me that in twenty years the average price of 200 things that enter into the necessities of modern life has gone down 40 per cent, and that it is all due to one transaction which took place in 1873, I look upon him as misusing faculties which Providence intended to be applied to the rational consideration of human affairs.

Is it possible that a result like that can be reasonably attributed

to one cause? Why should a man leave out of his calculations the industrial growth of the United States and the progress of Germany and of France since 1870? I have made a somewhat pracmany and of France since 1707. I have made a somewhat practical study of the growth of the industrial arts within my own memory. I believe that few changes have occurred in the selling price of staple manufactures, such as the products of iron and steel, of textile fabrics, of things made from leather, and of that whole range of products made from the natural resources of the forest, the soil, and the mine, which may not be referred to im-proved methods of production, of transportation, and of business

I look with amazement at the mental process of these apostles of free coinage who leave out of their calculation the infinite vaof free comage who leave out of their calculation the infinite variety of causes, which, operating in unseen and complex ways, have gradually reduced the cost of the things which enter into the daily life of the world, and in the same period have gradually increased the earning power of human labor. I have stood in a modern steel mill and watched the manufacture of a steel rail and learned more about the philosophy of the price lists of iron and steel by a half hour's conversation with an intelligent American

steel by a half hour's conversation with an intelligent American workingman than my friend from Minnesota will find out by poring over Soetbeer's tables till doomsday.

A thousand causes have operated to affect the cost of modern production. Some things have gone up, more have gone down. Some have gone down much, others little, others not at all. The value of a day's work, a thing which nearly everybody has for sale, has gone steadily up. Could human folly go further than to average pork with pig iron, candles with petroleum, wheat with woolen cloth, and finding the mean decline explain it by reference to an act of Congress that occurred over twenty years ago? We have been taught to believe that if you could make a reasonable increase in have been taught to believe that if you could make a reasonable reduction in the cost of living and secure a reasonable increase in the wages of labor you would create a condition in this world not altogether open to criticism. We are now beginning to learn for the first time that the interest of American labor requires us to give a fictitious legislative value to the things which a man has to buy in order to live, leaving labor itself to take its chances of securing that increased rate of wages which ought to go with increased expenses of living.

If the people of the United States deliberately give their influence to the creation of a new standard of value in this country the effect of which is, and is intended to be, to increase the ex-

fluence to the creation of a new standard of value in this country the effect of which is, and is intended to be, to increase the expense of living—if they do that before they have made arrangements for the corresponding increase of their wages, they will manifest a lack of common sense that has never characterized the working people of any country in any age of the world. [Applause.] As I have said, some articles have gone up in price and some have gone down. I have endeavored in the years past to talk overwith my own people the situation in which we are placed. The farmers of the Western country are just now at a serious disadvantage. They find the market place in which the great bulk of their products must be sold depressed and broken, not by the crime of 1873, but by the blunder of 1802, which turned the Government of the United States over to the management of the Democratic party. They find their market place opened in Eu-

rope and Spanish America by the reciprocity law of 1890 sudden y taken away by the tariff act of 1894. They find that the idleness and poverty incident to the Democratic reform of the tariff in the workshops of America have so lessened the domestic consumption of breadstuffs and meat as to seriously cripple the prosperity of the American farm. But when a cheerful brother from the far West with silver to sell undertakes to tell them that the act of West with silver to sell undertakes to tell them that the act of 1873 is at the bottom of their misfortunes and that the true remedy consists in manufacturing every 50 cents' worth of silver presented at our mint into a dollar gratuitously and handing it back to the owner, the great mass of our people is not ready to accept such a scheme of relief. They know that the year 1893 witnessed the largest measure of prosperity on the farm, in the factory, throughout the country, seen in this generation. They know that the great staples of agriculture in the Mississippi Valley have brought better prices in the local markets for the last five years than they did for the year 1873 or for the five years immediately. than they did for the year 1873 or for the five years immediately preceding that year.

I wish to present a picture of agriculture in one of the most productive counties in Iowa in 1873, a picture preserved in the annual report of the Iowa State Agricultural Society for that year in a speech by Charles H. Rogers at the Harrison County fair:

Proud of these aspects and of her progress in practical agriculture, still the condition of the laboring man and farmer is far from what is desirable. They have worked, watched, and waited for an adequate reward until weariness has well nigh turned to hopelessness. Farming has been a financial failure for the past three years. Hard toil has opened up fine farms and brought to the bins the products of unexampled harvests, but the sales have hardly paid expenses and bought cheap clothing until the coming harvest. There is no surplus to improve buildings, purchase thoroughbred stock, and furnish the home with any of the luxuries of art and literature.

That was in the years prior to the crime of 1873, when the whole world was enjoying such benefits as accrue from the free coinage of silver. I undertake to say, Mr. Chairman, knowing as I do the hard conditions that have surrounded the Western farmer the hard conditions that have surrounded the Western farmer since 1892, that if anyone were to make a statement like that in reference to the life of our people in any part of that great State at any time during the last fifteen years he would have been denounced as the author of a libel and an injurious fiction against the credit and surroundings of the community. [Applause.] The annual report of the Iowa State Agricultural Society for 1873 gives the price of corn at the capital of Iowa in December, 1870, at 25 cents; in December, 1871, 21 cents; December, 1872, 16 cents. The price of all our stable products for every month in the year The price of all our staple products for every month in the year 1873 is preserved in the same report, as follows:

Month.	Wheat.	Rye.	Barley.	Corn.	Oats.	Hay.
January February March April May June July August September October November	.75	\$0.35 .35 .35 .35 .45 .35 .35 .45 .45	\$0.40 .45 .45 .45 .45 .46 .40 .50 .60 .70	\$0.16 .17 .17 .18 .22 .23 .20 .20	\$0.20 .20 .20 .20 .22 .28 .20 .20 .27	\$6, 00 6, 00 6, 00 6, 00 6, 00 6, 00 5, 00 5, 00 5, 00

In the year 1873 there were 26 local pork-packing establishments buying hogs in the State of Iowa. The same report shows that the price paid per hundredweight in these 26 Iowa towns averaged \$3.74 for the season of 1871-72, and \$3.52 for the season of 1872-73. A man has only to take up the market reports of the last five years and make an average of the prices realized by the farmer upon the staples of agriculture to learn that while prices have gone up and down they have averaged above the price levels of 1873. I intend, by the courtesy of my colleague on the committee [Mr. Johnson], who represents with courage and ability a constituency that produces one-seventh of the wheat crop of the United States, to append to my remarks a chart showing the movement of prices with respect to the staples of agriculture, and especially with reference to wheat. This chart is correctly drawn from figures made by the statistician of the Department of Agriculture, and is based not on the prices in any one State, but upon the average farm prices throughout the United States. It is worthy of careful study and reflection.

And so our people do not listen with a very perfect patience to the promises and predictions of happiness and prosperity which are to flow from the restoration of silver coinage in the United States. They look rather for the prosperity of the farm, to the recovery of the American market place from the prostration which followed the industrial revolution of 1892. They believe that they have more to gain by a return to the national policy which gave every willing hand work and wages than they can possibly gain

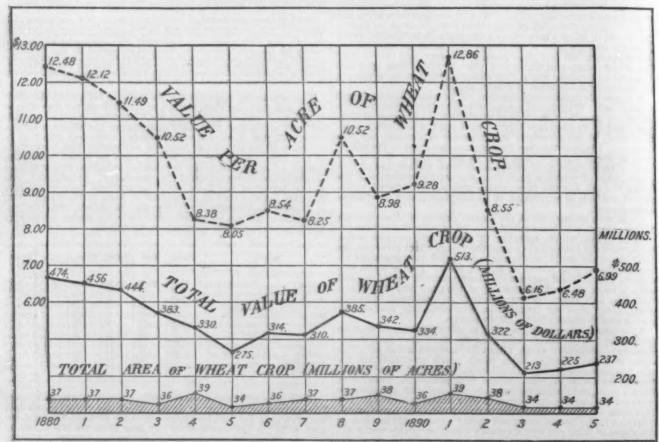
by an experiment which threatens to unsettle all values, disturb all contracts, and put new elements of rick into all values, all contracts, and put new elements of risk into every department of business. For myself I have made up my opinion in this matter alowly and deliberately, not only contrary to my sympathies, but also to my prejudices, guided at every step by the experience of the nations of the world.

What will be the effect of the free and unlimited coinage of silver? I undertake to say that the immediate effect will be a change in the standard of values. I am not one of those who say positively that it will produce a 50-cent dollar. I do know that 412½ grains of standard silver are now worth in the neighborhood of 50 cents, and that the coin produced would partake of that exact value, unless the opening of the mints changed the existing value of the total silver stock and total silver product of the world. I do not know whether it will produce a 50-cent dollar or a 75-cent dollar. I will admit that the unlimited coinage of silver into standard money will operate to somewhat stimulate the value of silver bullion throughout the whole world. Mexico, under a sys-

tem of free coinage, succeeds in producing a silver coin which circulates at the precise value of the metal of which it is com-

In the last Congressional campaign I had the opportunity of talking on a railway train in Iowa with our old friend from Missouri—no longer a member of this Honse—Mr. Bland. He was up in our country at that time trying to help General Weaver in his campaign against our good Republican friend—Hager—of the Ninth district. I called his attention to the fact that the free coinage of silver in Mexico appeared to produce a coin corresponding in value to the substance of which it was made. He replied that Mexico was a small country, but that the United States had a great deal of wealth and abundant resources, and that if we permitted the free and unlimited coinage of silver the In the last Congressional campaign I had the opportunity of states had a great deal of wealth and abundant resources, and that if we permitted the free and unlimited coinage of silver the whole bullion of the world would rise in value, and the future commercial ratio between gold and silver would respond to the ratio fixed at our mint. He did not pretend that anybody could know this with certainty.

CHART NO. 3.-Crop Report, Agricultural Department, for December, 1895 (page 6).



He only claimed that it was his opinion; that he might be right

or might be wrong.

I have never met an advocate of free silver who could do any better than merely offer an opinion on this matter. Hardly one of them to-day recognizes the importance, or even the advantage. of bringing silver to an actual equality with gold at the ratio of 16 to 1. In the minds of most of them the blessing of free coinage consists in the creation of a cheap coin to be used by the people in discharging debts. Their whole object is to subvert the existing standard of values. So far as I am concerned, representing nearly 200,000 people, all their property, all their investments, all their prospects being at stake, I must know with some degree of cer-

tainty what the result is going to be.

It is vain to talk of the hardships that now surround us. I know something of them; but hard as the place is in which we stand, nevertheless we are able to stand. And if you ask me what we propose to do, I will assure you that we intend to stay where we are, unless some one can tell with some degree of certainty

from Mississippi [Mr. WILLIAMS] thinks he knows. he can stand in the city of Yazoo, with unlimited capital, and make the price of cotton 15 cents a pound in all that country by giving that amount for all the cotton that comes to him. Therefore, he says, open the mints and \$1.20 will be the price of an ounce of silver the world over. He thinks that the manufacture of a silver dollar out of material worth 50 cents is equivalent to paying a dollar for that amount of silver.

He is measurably right about the cotton, but he is wanting, it seems to me, in that coherence of faculties which would otherwise enable him to see that his attitude in the market place of Yazoo buying cotton is not the attitude of the mints of the United States gratuitously converting into dollar pieces minute ingots of silver worth 50 cents, and handing them back to the owner to be twenty the seems of the back to the owner to be

turned loose on the business community for better or for worse.

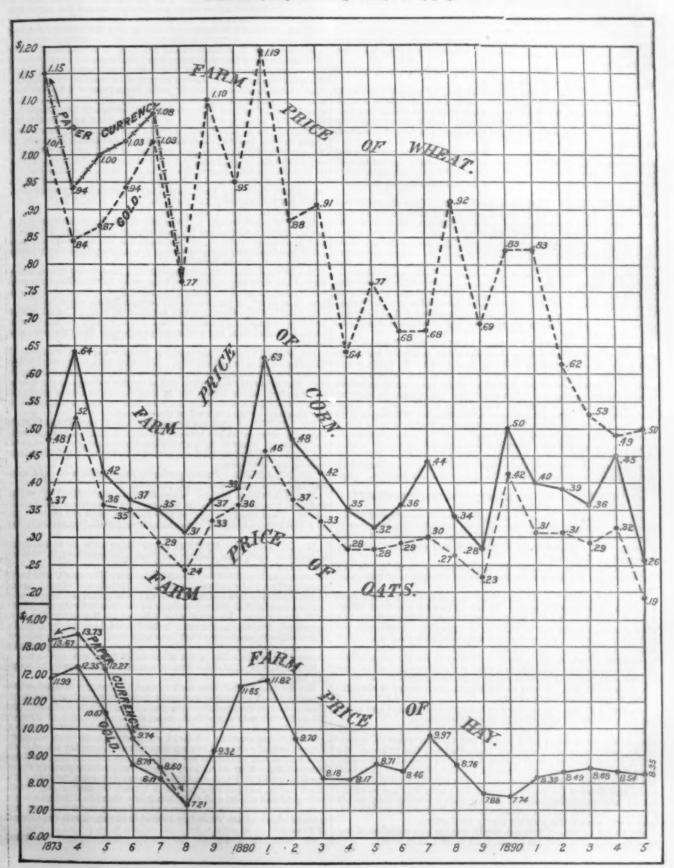
Mr. WILLIAMS. Will the gentleman allow me?

Mr. DOLLIVER. Certainly.

Mr. WILLIAMS. That there is an apparent difference upon whether the leap proposed is toward the solid ground or into the bottomless pit. [Applause.] I am looking for somebody who knows what the result of these transactions will be. My friend giving \$1.39 an ounce for silver, when by law you make an ounce

APPENDIX 3.

CHART NO. 4.-Department of Agriculture, February 4, 1895.



of silver pay \$1.29 worth of debts and do \$1.29 worth of tax paying and do \$1.29 worth of business, provided you have the business and the tax paying and the debts to overtop the possible sup-

ply of silver?
Mr. DOLLIVER. I think I understand my friend, and I regret that he does not perceive a difference between buying a thing and paying for it on the one hand, and simply stamping O. K. upon it and handing it back to the gentleman who brought it to the front

Mr. WILLIAMS. Suppose I had the power to furnish use for all the cotton after I had stamped it?

Mr. DOLLIVER. If the United States, by simply making a thing available for paying debts and taxes, can juggle 50-cent pieces into dollars, we ought to go back to the old greenback theory and take a piece of worthless paper, make it available for these two purposes, and rely upon Providence to give it value and stability.

stability.

Mr. WILLIAMS. Not at all. Because in the one case you are merely stamping it and relying upon the stamp for the value, and the other case you are furnishing a demand for the actual existing valuable material, which increased demand makes the increased

Mr. DOLLIVER. That is another theory. Your theory is that we are buying silver at \$1.29 an ounce, and that therefore that must necessarily be the market price of it throughout the world. That I will denominate the Yazoo theory. Now, there is another theory just hinted at by my friend from Mississippi, though more elaborately stated by my friend from Minnesota on last Saturday, and that is that if you create this body of coin and have it in the country, there is not have the latter.

and that is that if you create this body of coin and have it in the country, there is such an enormous business in the United States, such vast resources, such stupendous horsepower, and such immense uses for money and for credit that they will absorb and give employment to this money and thereby give it a par value. One thing we are absolutely certain of, and that is that it would give it no value in which the material out of which it was made did not participate.

Now, I am just charitable enough to admit that if you create such coins under free coinage, making them available for debts and taxes, it would have a tendency to stimulate the value of silver bullion. I do not know exactly what additional value it would give it. I undertake to say that short of the counsels of supreme wisdom is no intelligence in the world that can predict in advance the value that such a situation would give to the coin. I think the gentlemen in this debate have overestimated it, because it is the gentlemen in this debate have overestimated it, because it is not true that the vastness of the volume of business calls for a corresponding manipulation of actual coins. On the contrary, it commonly agreed that the more business is done in this world, the less absorption of actual money there really is. The com-mercial capitals which do the world's business are not inhabited the people who carry the world's money in their pockets. [Ap-

plause.]
Mr. DINGLEY. Will my friend pardon me for a moment?
Mr. DOLLIVER. Certainly.
Mr. DINGLEY. Have we not had a trial of the effect of an increased demand for 54,000,000 of ounces annually, all the American product and one-third of the product of the world, and of the effect of that demand from 1890 to 1893, and did it not result in lower review then ever?

lower prices than ever?
Mr. DOLLIVER. I think the experience we have had in the last five years throws a valuable light on this phase of the ques-

Mr. WILLIAMS. Will my friend excuse me just a moment? I hate to interrupt him again. In fact, I should not have interrupted him before if I had not jumped to my feet impulsively, but

In fact, I should not have interrupted him before if I had not jumped to my feet impulsively, but that remark causes me to want to interrupt the gentleman far enough, at any rate, to say that the entire contention of ours is not based upon a limited demand which shall leave a surplus over to be hawked about for a market and thereby to fix the price of the entire bulk of the product, but that my analogy and all of our contention is—and there we may be mistaken, possibly—

Mr. DOLLIVER. If you are mistaken, the country is ruined.

Mr. WILLIAMS. Not at all.

Mr. DOLLIVER. It is, if we go into your enterprise and come out with two kinds of dollars in the United States.

Mr. WILLIAMS. Not at all. When we had the greenbacks in circulation we had one price in gold and another price in greenbacks, and the country was not ruined at all; but to go on, the point I was talking about is that the entire contention is based upon the conviction that the demand for the actual stuff in actual use will overtop the possible supply. We admit that if it does not equal and overtop the possible supply the parity will not be maintained, and no limited coinage can equal and overtop the possible supply. It must be the coinage, and back of the mint the use, which will absorb the possible yearly production.

Mr. DOLLIVER. I will ask the House for an extension of my time in order to enable me to conclude what I have to say.

By unanimous consent, Mr. Dolliver's time was extended.
Mr. DOLLIVER. I am greatly obliged to the committee.
Going back to the last remarks of my friend from Mississippi, I will say that there seems to be a difference among the defenders of free coinage as to what it is that will double the value of silver bullion, whether it is the act of coining it or the exercise of using

If the use of it alone is relied on, then it is pertinent to say that the first real use of silver as legal-tender money in the United States has occurred since its free coinage was abandoned. And the mint reports of the various countries of the Old World show that a larger coinage of silver and a larger use of it for the ultimate purposes of money exists there to-day than ever before. The abandon went of free coinage has not except in Germandia. mate purposes of money exists there to-day than ever before. The abandonment of free coinage has not, except in Germany, disturbed the monetary quality of existing coins nor reduced the monetary use of silver, but there is one thing that every man ought to bear in mind, and that is that there is not a country in the world which has the free coinage of gold and silver which enjoys the use of gold and silver—not one. If there is anybody in this House who knows the name of a country which has the free coinage of both gold and silver at any ratio and enjoys the use of both I will stop long enough to have the country mentioned.

Mr. HENDERSON. Go right on.
Mr. DOLLIVER. I will go on.
Mr. UNDERWOOD. I would like to ask the gentleman if it is not a fact that Mexico has the free coinage of both gold and silver and, according to Mr. M. H. Muhleman, a late authority, on page 115 of the Monetary Systems of the World, they have \$5,000,000 in gold in circulation in Mexico?

Mr. DOLLIVER. In answer to that I have to say that a secretary of the Mexican legation told me yesterday that Mexican gold coins were not used in Mexico in common circulation, being at a premium of 80 per cent above the corresponding silver coin.

premium of 80 per cent above the corresponding silver coin.

Mr. BRUMM. Permit me to say that when the United States had free coinage of gold and silver for many years, for the greater portion of that time she was more prosperous than she ever was

before.

Mr. DOLLIVER. That opens a field for a long discussion. I will dispose of it in a short way. Whatever prosperity the United States had for the eighty years prior to 1873, be the same more or less, was evidently not owing either to the coinage or the use of the standard silver dollar, for in that period its mints produced only 8,000,000 silver dollars, not a million of which remained in the channels of the business of the country.

Mr. LACEY. I wish the gentleman would permit me to state that last summer on my journey through Mexico, a young Mexican about 85 years of age, a very intelligent gentleman, showed me a gold coin and assured me that it was the only gold Mexican coin he had ever seen.

me a gold com and a second coin he had ever seen.

Mr. DOLLIVER. That is perfectly reasonable, with gold at a chronic premium of nearly 100 per cent.

Mr. WILSON of Idaho. When France demonetized silver she had nine hundred millions in gold and seven hundred millions in silver. That was the result of free coinage, even at a ratio of 15½ and France is one of the greatest commercial countries in the to 1, and France is one of the greatest commercial countries in the

world.

Mr. DOLLIVER. My friend's suggestion leads me to dwell for a moment upon the history of French bimetallism, a history which is always brought into the silver debate, sometimes by word of mouth, and the other day by my friend from Minnesota by a chart, showing in a picturesque way how the French law of 1803, opening the mints to free coinage at 15½ to 1, had preserved for seventy years a substantial correspondence of the market value of silver with that ratio. No man who believes in the unwritten law commonly known as Gresham's law could look at my friend's chart without suspecting that the slight deviations of the market from the mint ratio, indicated upon the chart, would operate to alternately exclude one or the other metal from use.

Mr. WILSON of Idaho. France maintained the parity by opening her mints.

Mr. WILSON of Idaho. France maintained the parity by opening her mints.

Mr. DOLLIVER. The fact is that the parity existed when France opened her mints, and had existed for more than a century. That is to say, the market relation of gold and silver had long been 15½ to 1, with only slight deviations; so that the action of France in 1803, instead of creating a new condition, only conformed to a condition long existing. Now, I will undertake to show whether France actually enjoyed during that seventy years the use of both gold and silver, which, in my judgment, constitutes the only true bimetallism. Men stand here and tell us that for seventy years the mint ratio at Paris controlled the market ratio, produced a synct market ratio, and gave the nember of France the continuous use of exact parity, and gave the people of France the continuous use of both gold and silver; and they bring in a chart to illustrate these facts. I propose now to throw a cathode ray right through my friend's chart to see what lies behind it in the actual experience

Mr. WILSON of Idaho. Do you deny that she had nine hun-

dred millions of gold and seven hundred millions of silver before

she demonetized silver

Mr. DOLLIVER. I believe the gentleman's figures are approximately correct of the year when the French Republic, after bearing the burden of unlimited silver coinage till it could no longer be borne, retired finally from the experiment. A recent work (1895) on the History of Currency, by W. A. Shaw, a profound and scholarly book, shows clearly that this serene seventy years of French bimetallism was disturbed from year to year, from decade to decade, by movements of gold and silver into and out of France, which gave to the money brokers of London, Paris, Berlin, and Vienna an uninterrupted profit from the fluctuations of the currency of France. On page 178 he condenses the monetary experience of France from Napoleon to Thiers. With your permission, I will read what he says:

The second idea which is commonly entertained with regard to the action of France during this later period [1803-1875], viz, that her action secured for the world at large a fixed and steady ratio, is equally—indeed, still more—fallacious. At no point of time during the present century has the actual market ratio, dependent on the commercial value of silver, corresponded with the French ratio of 184, and at no point of time has France been free from the disastrous influence of that want of correspondence between the legal and the commercial ratio. The opposite notion, which prevails and finds expression in the ephemeral bimetallic literature of to-day, is simply due to ignorance. From 1815 England has been withdrawn from this action of a bimetallic law, and the modern insular pamphleteer has before his eyes no sign of its working in his own country. He therefore assumes a universality of such experience, and attributes it to the French legislative ratio. It is in no polemic spirit, but simply in the interest of science, that this particular or mispapplication of history to the squaring of a theory is to be branded. The plainest facts of history are thereby absolutely misrepresented, and the assumption of cause and effect is so far from being true that the repose of the absence of a bimetallic system, or to its despite rather than its presence and influence. (Pages 178, 170.)

If that authority is not regarded as satisfactory, I have here a little volume called Bimetallism, a monograph out of the great work of Henry Dunning MacLeod, of Trinity College, Cambridge, on The Theory of Credit, recently published, which gives a valuable injustic the satisfactory. sight into the real experience of France. He says:

The period between 1806 and 1873 is cited by bimetallists as the golden age of bimetallism. But if they imagine that there was during that period a general circulation of gold and silver coin in unlimited quantities, they are under a weeful delusion. The French Government pillaged all the sanctuaries in France of their vast masses of silver plate, and the French liberating armies pillaged all the treasuries and sanctuaries of the countries they came to liberate.

aries in France of their vast masses of silver plate, and the French Regrammer armies pillaged all the treasuries and sanctuaries of the countries they came to liberate.

Immense quantities of silver plate were sent to the mint to be coined. The consequence was that, while the legal ratio of silver to gold was 154 to 1, the market ratio became 17 to 1. No gold coin, therefore, got into general circulation. During the period from 1806 to 1820 there was for eleven years a premium on gold, sometimes as much as 3 per cent, which, of course, prevented gold coming into general circulation. But after 1830 the premium on gold rose very considerably, and between 1830 and 1847 it was usually on an average of 10 francs per mille, but in many years 18, 19, 20, and 21 francs, which, of course, utterly precluded any gold getting into circulation.

I myself can testify that in 1839 there was not to be seen a gold coin in France in common use. But in 1851 a great change took place. The gold discoveries in California and Australia caused floods of gold to be imported into Europe, and in 1851 silver rose to a premium. Then the money in common use changed from silver to gold. I was residing in a seaport town in 1857, and every steamer which came in was loaded with casks of Scotch whisly going to be transmuted into French brande, and every steamer that went out had its decks piled with silver 5-franc piec.s. The same was true at every other seaport. Silver departed from France in floods: overy steamer and overy diligence that left France carried away loads of these 5-franc pieces.

At last the scarcity of silver became as great that it became necessary to coin those pestilent 5-franc pieces in gold. (Pages 14 and 15.)

The Latin Union was formed in 1865, and within two years a commission sat in France to take into consideration the burdens and embarrassments incident to the alternate disappearance of the coins of the country. The next year a similar commission reported that the prosperity of the French people required that an end be made to the long and unsuccessful effort of France to maintain the concurrent circulation of both metals. Her final action was delayed till 1874. She acted out of no hostility to silver. She acted for the protection of her business community. Her action was not influenced by what happened in the United States in 1873, nor controlled by what happened in Germany in 1871.

It was only the execution of a well-matured advice given in

1868 by a commission of her most famous statesmen and economists in the interest of the orderly and safe management of the mists in the interest of the orderly and sale management or the industries and business of France. And yet men stand on this floor and say that, without difficulty and without trouble, France maintained the use of both gold and silver at the ratio of 15½ to 1 for seventy years. I wish to ask these gentlemen this very plain question, Why did France stop that transaction? She stopped it, not out of malice against silver, but because the burden of maintaining the situation had grown too heavy for the Latin Union to heavy.

den of maintaining the situation had grown too heavy to the Latin Union to bear.

Mr. WILSON of Idaho. And yet silver was at a premium.

Mr. DOLLIVER. That was the very hardship of the situation; the alternate premium, first on silver, then on gold, resulting in the alternate loss first of one metal, then of the other, was more than French business could bear, even in those years when the

departure of the value of silver from gold at the mint ratio was insignificant and fractional. How is it possible, with silver bearing a market ratio to gold of 32 to 1, that any nation in the world shall undertake to carry the burden unaided and alone, which the Latin Union, under conditions vastly more favorable, laid down [Applause.] in despair more than twenty years ago?

TERRY. Will the gentleman allow me to ask him a question?

Mr. DOLLIVER. With pleasure.

Mr. TERRY. Are you in favor of the coinage of silver dollars at all?

Mr. DOLLIVER. I stand with a political party that in eighteen years has minted 600,000,000 silver dollars, seventy-five times as many as the mint produced from its foundation up to 1873, and has kept every one of them in circulation, by itself or by its paper representative, and has maintained every one of them equivalent in value to the dollar of gold. [Loud applause on the Republican

Mr. TERRY. That is all very fine, but answer the question. Are you in favor of the coinage of silver dollars; and if so, at what

ratio?

Mr. DOLLIVER. I am in favor of the coinage of the silver dollar under such provisions and with such limitations and conditions as will produce a coin agreeing in value with existing standards, and I would have the United States join with the commercial nations in such an adjustment of the ratio, under international agreements, as will enable the entire commercial world without loss to any nation to return to the unlimited coinage of

Mr. TERRY. Oh, that is mere jack-o'-lantern statement. Are you one of those parties who say that I am in favor of the coinage of the silver dollar if you will only put enough silver in it to make it equal in value to the gold dollar? Do you belong to the class that favors that kind of silver coinage?

Mr. DOLLIVER. I do not like to be described by my friend from Arkansas as a jack-o'-lantern philosopher, but I do not mind talling him that I have a very strong prejudice, for reasons which

telling him that I have a very strong prejudice, for reasons which I have tried to explain at length, in favor of having all the dollars in use in the United States equivalent to each other in value. So far as the gentleman is concerned, the controversy is not between gold and silver. It is between the existing standards of value and a standard contrived out of compressed air. [Laughter and ap-

a standard contrived out of compressed air. [Laughter and applause.] I need not say to this House that I am with the Republican party in favor of the largest possible use of silver that can be had without degrading the existing standards of value and turning loose a depreciated and fluctuating coin upon the American people. [Applause.] That is the position I take.

Whatever standard we have in the United States has existed here for sixty years. We have tried to preserve the existing standard reenforced by the largest use of silver that has occurred in the history of modern commerce. I am for the existing standards of value, not to be disturbed, except under conditions that will produce a real bimetallism. [Applause.] I have listened in every session since I have belonged to this House to the claim that this proposed departure from the basis upon which American business has been done in the past is in the interest of the poor, in the interest of the workingman, in the interest of the farmer,

in the interest of the workingman, in the interest of the farmer, in the interest of those who are burdened with debt.

If I know my own heart, there is nothing in it but sympathy for the burdens and anxieties that have fallen upon the homes of so many of our fellow-citizens. It is because I am solemnly con-vinced that this proposed measure would be a curse and not a blessing, a calamity and not an omen of prosperity, that I have been moved to say what I have said. By no possible means could a bill for the free coinage of silver become a law without long and ample notice of its enactment. Long before the name of a President of the United States could be signed to such a law its enactment would be anticipated and discounted by the business In what position do these volunteer defenders of the poor propose to put those of us who are carrying the burdens of debt? This is an intensely practical question, with very little room in it for campaign oratory. Nor is it a new question in this money-lending and money-borrowing world.

On the 8th of June, 1830, Mr. Attwood brought forward a motion in the Hause of Commons to restore the coinage of silver, which

in the House of Commons to restore the coinage of silver, which had been abandoned by the law of 1816, after silver had diminished in value about 5 per cent from the mint ratio of the latter year. In the debate he stated that it was the purpose of his motion to enable persons who had contracted debts to pay them in silver, and he moved that coinage should be restored to its old position of 1797. Mr. Herries, the master of the mint, pointed out to the House that the ratio between the two metals had changed since that year. Nevertheless, Mr. Attwood, who brought the motion forward,

Let the two metals be a common tender and let the debtor pay in which he

The master of the mint replied in words which are not without significance in the present attitude of this matter:

significance in the present attitude of this matter:

Suppose the resolution of the honorable gentleman to be agreed to, what would be the inevitable result? Why, it would be proclaimed to-morrow from one end of the country to the other that this house had come to a resolution, the effect of which might be shortly stated thus, namely, that every man who had claims payable on demand; every man who held notes of small or great value; every man who had debts outstanding, would, if he secured the amount of what was due to him before the resolution passed into law, get the whole of his money, whereas if he delayed beyond that period he would get only £35 for every £100.

It is terrible to reflect upon the consequences which must follow. What would become of the Bank of England? What would become of every banking house in the Kingdom? What would become of all debtors who were lisble to pay upon demand all that they own? Would not all transactions of confinsion, construction, and ruin, when the House of Commons proclaimed to all who had debts due to them that if they did not collect them on the instant they would assuredly be losers to the amount of 5 per cent?

Mr. Herries concluded by saving that if the motion succeeded

Mr. Herries concluded by saying that if the motion succeeded it would result-

before the setting of the sun in creating a panic and confusion such as could not be described, and which it would then be too late to remedy.—Hansard's Parliamentary Debates, second series, volume 25, pages 102-102.

He was followed by Mr. Huskisson, who entirely agreed with the opinion expressed by the master of the mint, and added that—

If the House agrees to this resolution to night there will be a general panic among the people to merrow, and before the lapse of a week it is probable there will not be a sovereign remaining in the country.—Housard, volume 26, page 165.

Sir Robert Peel followed with the expression of a weighty opinion, in which he warned the House that the adoption of the motion would result in a panic, in the midst of which—

All would turn to confusion, and public ruin must be the con Hansard, volume 25, page 170.

Hansord, volume 25, page 170.

These three men were the ablest statesmen of their day, incorruptible in character and wise in counsel. It is not a vain thing for us to apply their admonition in the House of Commons in 1830 to the situation in which the advocates of free coinage ask Congress to place the business world of the United States. I say here, measuring the full significance of my words, that there is no hard ship in the life of the American people at this hour, and never hashen any, that could be compared to the misfortunes which would instantly ensue upon the assured prospect that the law was about to be changed in such a way as to authorize the legal payment of debts in a coin inferior to that in which they were contracted. The sacrifice of property and of business would be temporary, and might be repaired, but the loss of individual credit and of national character would be beyond the remedy of time.

You say that you wish to have more money in circulation in the United States. Yet you bring in a proposition here to create a coin without regard to the divergence of its value from the value of existing coins of the same demonination. It will take you different years, working the mints of the United States at their full capacity, to make as many new coins of silver as the enactment of a law for the free coinage of silver will drive out of use in gold in

a law for the free coinage of silver will drive out of use in gold in the United States within three months. It is still true, under a law which Congress did not make and can not repeal, that no haw which Congress did not make and can not repeal, that no nation under free coinage can create two coins of the same denomination, differing in value, and keep both of them in circulation. But your proposal will not only drive out of use the existing coins of gold and diminish the purchasing power of all remaining coins and currency, but will destroy an element in the monetary volume of the modern business community more precious than either gold or allyer—the character and commercial integrity, without

which no business presperity is possible.

"Credit," said Daniel Webster in the American Senate, warning his countrymen against the "evils of a debased coin," "has done more a thousand times to enrich nations than all the mines of the world." The currency or circulating medium of every country consists, not alone of gold and silver and copper and nickel and paper, but chiefly of the numerous forms of credit, written and unwritten. Credit commands all commodities exactly as the coin theal commons them are the reckened as a part itself commands them, and, therefore, must be reckoned as a part of the volume of money in any intelligent estimate of the relation of money to prices. The great economists, from Adam Smith and John Stuart Mill until to-day, admit that credit has substantially the same effect on prices as money itself. Therefore, when I meet a man who thinks that the monetary efficiency of our existing coinage is inadequate for the needs of American business, I seek to impress upon his mind the danger of trying to increase the number of coins by means that tend to impair the exercise of commercial credit. That statesman renders a very poor service to the commonwealth who, in trying to provide more coined amoney for circulation, breaks down and wastes the character and tredit which, finding a thousand expressions in the business of the world, has become at last, in a large sense, the true coin of the realm. itself commands them, and, therefore, must be reckoned as a part

I stand here, therefore, in the discharge of my duties to the

people for whom I speak to protect them against the wanton disturbance of the basis on which their contracts have been made and to which their business has become adjusted. I speak for them with confidence in their prudence and in their integrity, and I speak all the more comfidently because for years, in their schoolhouses, in their villages, in their great political assemblies, I have submitted these questions to their judgment and to their conscience. They are are not driven from their convictions of what is right and wise on this question by considerations drawn from the unfortunate situation of all business in the United States during the present Administration, for, going back to the years when the Republican party controlled the affairs of the nation, they find hope and courage in the prospect of a speedy return to the prosperity of 1892. [Applause.]

There are people who say that the whole history of the Republican party has been one uninterrupted conspiracy against the American people. I heard my friend from Nebraska [Mr. Kem] who, a few minutes ago, disclaimed a very sensible discourse upon the money question as having been delivered, not by him, but by somebody else— [Laughter.] I heard him say, in starting out the other day, that this conspiracy against the people began in 1892 when the greenback was manipulated in the interest of Wall street. He then passed on to the time when the payment of the public debt was gnatanteed in coin, then to the time when the nobsoleto silver dollar was dropped from the list of our coins.

Mr. KEM. Will the gentleman permit a question?

Mr. DOLLIVER. Yes, sir.

Mr. KEM. Bo you undertake to say that the greenback was not manipulated in the interest of the bankers?

Mr. DOLLIVER. I will answer your question, and I will so display the matter that you can understand it, and that your children can understand it. There is not an act of Congress of which you have complained as a part of the conspiracy, from the law creating the greenback in 1892 to the law providing for the

Mr. DOLLIVER. In view of the public record it is not important what anybody said about that. I say again that the acts of which you speak, all the acts of which you complain, as parts of a conspiracy against the people of the United States, bear upon them the indorsement and approval of one or the other of these men, and I raise a question here, which the American people are going to press home on every agitator who comes forward as a professor of finance and reformer of monetary systems in the United States. If Abraham Lincoln and Ulysses S. Grant were wanting in intelligence, so that they did not know and could not see the welfare of their country; if these men, called in the order of Providence to defend the life of the Republic in the hour of peril, were wanting either in wisdom or patriotism, so that they wrote their signatures of approval upon a long series of statutes by which the struggling millions of their countrymen have been enslaved, what, in God's name, is likely to happen to us when the Augean statesmanship of South Carolina gets hold of us. [Laughter and applause.] Mr. DOLLIVER. In view of the public record it is not importer and applause.]

My fellow-countrymen, let us rise above that level of thought and speech which thrives by false witness against the motives of public men, which teaches the young men and young women of the land that public life is without conscience and rectitude of purpose, and that the Government for a generation has been turned from its beneficent office to become the despicable servant of the rich. There never was an hour in the history of the world when a man taken by himself stood for as much, and when a dollar taken by itself stood for as little as it does to day. [Applause.] People spend a good deal of time worrying over the plutocracy. I have made up my mind that the Lord in His own good time has methods of scattering the wealth of the world; that no unscrupnlous money power can long dominate the human race; that this world will in the end be governed by the manhood and womanhood there is in it, and that no syndicate of avarice can drive the integrity out of American politics and American business. [Prolonged applause.]

Coin Redemption Fund.

SPEECH

HON. W. A. CALDERHEAD,

OF KANSAS.

IN THE HOUSE OF REPRESENTATIVES,

Monday, February 10, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. CALDERHEAD said:

Mr. SPEAKER: I do not know that in the few moments I have I shall be able to add very much to the information of the House upon the question that has come before it in this curious manner. I think I can agree about some things with my friend who has just taken his sent [Mr. McDearmon]. He says that the Treasury of the United States is in trouble, and that it has appealed to the Republican House of Representatives to relieve it, and that the respectively of providing such relief is more the Perublican House of Representatives to relieve it. sponsibility of providing such relief is upon the Republican House. I think that is true enough; and at least so much of this responsi-bility as rested upon the Republican House of Representatives it has been willing to undertake and bear.

In answer to the call of the Secretary of the Treasury announcing to us that there was a deficit in the revenues—a deficit in the Treasury, as he claims—we immediately provided the means by which we might relieve that deficit, and we followed that with a bill which would increase the revenues, so that no deficit should occur in the future until time could be obtained for the considera-tion of a more permanent policy. Was that meeting the respon-sibilities that were imposed upon it? Why not? When these measures of ours were sent to the Senate for its consideration and

measures of ours were sent to the Senate for its consideration and when our friends in that Chamber concurred with us in the effort to furnish relief to the Treasury in the manner that we attempted here, there arises a new set of teachers with a new demand.

Not sufficient in themselves to furnish a policy that will relieve the Treasury or prevent a future recurrence of this deficiency, they are sufficient to say to this country, "We want the free and unlimited coinage of silver at the ratio of 16 to 1, and until we can have that there shall be no relief for the Treasury nor for the country upon any other method." And a gentleman now comes and says substantially in his place here that unless we can have that, unless the Republican majority in this House shall surrender its own convictions, its own judgment upon what is for the interest that, these the Republican importly in this riouses and surrender its own convictions, its own judgment upon what is for the interest of the country, to the convictions and judgment of this small fraction, there shall be no relief to the country. We could bear this with some patience if there was any sincerity or hope of success in the policy proposed. But when it was proposed in the other Chamber it was distinctly said and understood that the vote most this greation would not provide the spread demanded that

other Chamber it was distinctly said and understood that the vote upon this question would not provide the remedy demanded, that it would merely put men upon record on the subject. The debate here proceeds in the same manner.

What for? In order that the Congressional Record may be filled with campaign literature to be used during the summer months agitating the minds of the people upon a subject which members know can not be settled now by debate in the House or the Senate. Mr. Speaker, for what other purpose has this discussion proceeded thus far in this Chamber? Can any other purpose be named? I have been unwilling to bring myself to consent to the method of stuffing the Record with printed speeches never delivered in this Chamber. I can hardly refrain from saying that I can not conceive how any member of this body can find it proper under the privilege of printing his remarks to add to them whole columns of newspaper literature that have no purpose except the effect they may have as campaign documents during the coming summer. Neither can I understand how any member can admit it to be proper with the privilege that is thus extended to him to

summer. Neither can I understand how any member can admit it to be proper with the privilege that is thus extended to him to impose on the country as his speech delivered on this floor sections of public documents that are for free distribution by the different Departments of the Government.

These things are not designed for the purpose of ascertaining a correct solution of the problem that is given to us, but simply, as I have stated before, for the purpose of furnishing campaign literature to be apread over the country during the next six months. That is evidently the purpose. No member expected that kind of discussion to settle the question here. If the members of the House who believe in the substitute now offered to them had sincerely believed in it and wanted an honest and candid discussion of the question before the House, face to face with the discussion of the question before the House, face with the men who think differently, so that there might have been a can-did and fair debate, and a vote after the deliberate judgment of the members had been rendered upon it—a final verdict pro-nounced which would have satisfied themselves and their constit-

uents—they should have presented the bill as an original one to the Committee on Coinage, Weights, and Measures. If they could not have obtained a favorable report from that committee they would at least have obtained an adverse report, and could have brought that before the House for consideration, and so instead of remitting the discussion to evening and morning sessions and then absenting themselves from the floor of the House sions and then absenting themselves from the floor of the House and having little concern in the actual discussion, they would have been in their seats face to face with those occupying a different position on the question, presenting their arguments on the subject, and at least we would have had a vote after a fair weighing of the different arguments on the basis of their material worth and the strength of the claims presented by either side. But that is not the purpose of the discussion. The purpose of now thrusting this measure before us is to obscure the evil results of evil tariff legislation. It is to turn the minds of the people away from the real cause of the prostration of business by which the revenues are made deficient and the Treasury made empty. It is indeed "a condition that now confronts us, and not a theory."

I am opposed to the substitute presented by the Senate, first, be-

I am opposed to the substitute presented by the Senate, first, because of the indirect manner in which it is presented to the House for its consideration and because of the evident sinister purpose that is underlying the manner of its presentation. I am opposed to it, next, because it is vicious in itself and does not provide any sort of relief to the Treasury, and ignores the real cause of our

The gentleman who last addressed the House [Mr. McDearmon] said "the Treasury would be instantly relieved by voting for the free and unlimited coinage of silver in this House," and in order to satisfy you of the sincerity of his belief in what he stated, he promised that he would take every dollar of the coinage at 99.9 cents on the dollar. Why, he knows, Mr. Speaker, and the nation knows, that the great Republican party throughout this country stands under the credit of the United States, upholding it; that it has pledged itself to the nation to maintain not merely bimetalliem but the parity of every dollar, the causality of the dollar the lism, but the parity of every dollar, the equality of the debt-paying and the purchasing power of every dollar that is issued by the Government. He knows that it is because of the intention this party to maintain the power of the Treasury to redeem all the dollars which are issued in the money in which they have been promised to be paid, and to maintain every dollar that this Government issues, so that it shall have equal debt-paying and purchasing power with any other dollar, no matter how good it may be, that he makes his offer.

I do not know exactly how I will return to the subject he presented first, but I think I will present it by saying that the act of 1875 authorized the Secretary of the Treasury to sell bonds for the purpose of procuring gold to maintain the reserve, such reserve as was deemed necessary for the redemption of the greenbacks when they should be presented at the Treasury. That act has lain there all of that time, from the time it was enacted up to this time, as the basis of the credit of that money, for the gold redemption of the greenback. I know the act uses the word "coin," but no man then or since expected the payments to be anything less than gold. It was necessary that all the other moneys that came from the Treasury of the United States should also be redeemed in the same manner, so that all the dollars issued might

have the same power as money.

Now, so long as the revenues of the country were sufficient for Now, so long as the revenues of the country were summent for the preservation of the redemption fund there was no question about the value of our dollars or about the power of every dollar as money. So long as the revenues were sufficient to meet the expenditures there was no question about the integrity of our money. It was only when the revenue had begun to fall off that a question arose, and this suggestion took its origin about the parity of the dollars. of the dollars.

of the dollars.

Which one of you during this discussion has answered the remarks of our friend from Tennessee [Mr. Patterson] about the fact that our revenues are not now and have not for nearly two years been paid in gold? Which one of you has explained how it was that when the fear about the equality of the dollars began to arise in the minds of business men not one dollar of gold was paid into the revenues of the Treasury? Which one of you has explained why it was that immediately when there was a fear the dollar recognized as the cheaper was used for business and the dollar which was recognized as the more valuable—the gold dollar—was at once withdrawn? Why is it that gold and greenbacks are at a little premium to-day? But the value of the greenbacks, the value of the national-bank note, the value of the silver certificate or the silver dollar itself, did not rest upon the silver certificate or the silver dollar itself, did not rest upon the silver bullion of the Treasury, nor upon the possibility that Congress might authorize the Treasury to coin that bullion; nor did it rest upon the hundred million of gold redemption fund held in the

Treasury.

Their value for business was not affected in any way by the loss of the reserve, but day by day, as the reserve diminished from its full amount, the business of the country went on with this money at par, and when the reserve fund in the Treasury had fallen as low as \$45,000,000, although there was still \$900,000,000 of money outstanding in the country said to be dependent for redemption upon the reserve fund of the Treasury, the credit of the Government was not affected in the slightest degree and each dollar issued by the Government was at par with every other dollar. So it was evidently not the amount of the reserve fund in the Treasury that kept this outstanding circulation at par. The country knew better than to believe that the value of the dollar depended on the reserve. They knew that it was the power residing in the Treasury by the act of 1875, to provide the redemption of all that money in gold. It was that knowledge which maintained the value of all of these dollars at a par. What maintains it now?

Do you gentlemen think that it was the withdrawal of silver, or the demonetization of silver, as you call it, that produced the panic of 1893 and the appalling disasters of that year? All the standard silver dollars that have ever been coined in this country were still full legal-tender dollars and at par. Have you forgotten the panics of 1824, of 1837, of 1857? Have you forgotten the fact that prior to each one of them the revenues in the Treasury of the prior to each one of them the revenues in the Treasury of the United States were provided upon tariff laws framed precisely upon the principle of the law which you presented to the country two years ago, and that each one of those panics followed the enactment and operation of each one of those laws? Even the panic of 1873 came close after four successive reductions of the tariff. Have you the least conception in the world that it was the enactment of the panic of the tariff. ment of your tariff law of two years ago that produced the condition which has existed from that time to this? Have you explained to the country how it was that while for thirty years the revenue of the country was entirely sufficient, and during all that time, except the internal-revenue tax which was paid directly upon whishly and tobacco and articles of that kind, no man was the total transfer of the country was entirely sufficient, and during all that time, except the internal-revenue tax which was paid directly upon whishly and tobacco and articles of that kind, no man was the country was the c able to put his finger upon one thing that he bought and used that cost him more by reason of the tax which supported the great National Government than it would have cost if there had been no tariff law in existence at all? Not one man could point to a place where he was taxed to support the great National Government except the man who was paying an internal-revenue tax. Not one man could point to a place where he was paying more for anything that he bought and used for his own use under that system of taxation than he would have paid if there had been no

system of taxation than he would have paid if there had been no such taxation in existence.
You changed the system. You reduced the tariff upon the articles which we manufactured. You provided for free raw material enough to set all the mills of England at work, to shorten the hours of labor in all our factories, to reduce wages, and discharge the hands. You reduced the freight upon all the railways carrying our great internal commerce, reduced the number of employees and the salaries that they received. Within twelve months from the time when you had the power to make that law—and the national that you would make it—two and a half millions of the laborknew that you would make it—two and a half millions of the laboring men of America were out of work.

Has that law nothing to do with the deficiency of the revenue and the deficiency in the Treasury? Has that nothing to do with the distress among our laboring men? Do you propose to furnish men work by coining the dollars that are now in the Treasury? How will these dollars get out? From whom will workingmen get the money? Who does the work that supplies America with her goods to-day? Why is it that you have provided that every English artisan and manufacturer and mechanic shall be at work at increased wages, while nearly every American artisan and mechanic and laborer shall work at diminished wages or go without work? Has that nothing to do with the revenue or the Treasury? And when we now propose that the tariff shall be so levied as to increase the revenue and set our men at work again, you turn from it with contempt and say, "Give us free coinage of silver or you shall have nothing." Has that law nothing to do with the deficiency of the revenue you shall have nothing.

But I have not time to give all the discussion to that side of the But I have not time to give all the discussion to that side of the question that I ought to. There are some of our friends upon our side of the House who also think that we ought to have the free coinage of silver. Now, I admit that it is a question that is still open for discussion and upon which each man has a right to have his own honest judgment, and all I ask of him is that he shall be sincere. He does not make an answer to me when I say that I am not in favor of it, but he stands up and says, "Oh, then you are a gold bug." That is not argument. That settles nothing.

Among those who made the most eloquent and pathetic plea for the free coinage of silver was our friend from California [Mr. Johnson]. I was a little surprised at him. I admit the eloquence with which he made that plea, but I ransacked the Record in vain for one statement in it that constitutes a reason why we should have the free coinage of silver except the danger that we might lose the next election if we do not.

That is a remarkable statement to come from California. I can not help remembering that from 1862 to 1878, while all the rest of

us were compelled to take greenbacks at whatever the market value was and buy gold at whatever the market value was, the great State of California insisted that the National Government should carry \$25,000,000 of bonds in order to enable her to maintain gold payments at every counter and upon every contract. From that day to this California has been upon a gold basis. You will not take a promissory note or check or draft there that is not payable in gold. Will the gentleman now make a contract for California that if we establish free coinage of silver she will accept silver for gold? What nation or people has ever sold gold to get silver? Will California sell her gold and take silver in pay? Does California propose again that the whole nation shall go to a silver basis while she retains her gold basis?

But my friend, the gentleman from Minnesota [Mr. Towne], has also some admonitions to give us. He must interpret a section of the great Minneapolis platform for us because we have not hitherto understood it. It is not enough for him that that great declaration proclaims the necessity of maintaining the equal power of all the dollars. It is not enough for him that the people of his State have since then repeated that declaration and added to it in 1894 their remonstrance against any attempt to depreciate our money. He has still more knowledge and light. I admire the accuracy with which he has recited to us Coin's Financial School.

accuracy with which he has recited to us Coin's Financial School. I admire the adroitness with which he will, under his "leave to print," insert it, with all its maps and charts and tables, into the RECORD, and so secure some permanence to the history of its fal-

Admit it all as true, what then? What proposition does he make? Is it not substantially that we shall pay all existing public debts in gold and at the same time begin doing business with silver alone? What is this but a silver basis? Is this bimetallism? But the gentleman from Wisconsin also, like the gentleman from California, proposes that if this is not done the Republican party shall be defeated next. Is this an argument, or is this a threat? But waiving political fears and guesses, waiving all controversy about the history of this subject, waiving all contention about the practice of our Treasury, what is it you propose to do with the existing condition? What will the result be if you do what you propose in this Senate substitute?

Remember it proposes to take the existing standard of values away, and it proposes to substitute another standard of values away, with the interests of every home and of every industry—with the interests of every industry which employs labor

This is to deal with the interests of every home and of every industry—with the interests of every industry which employs labor as well as with the interests of every poor laborer. You say it will increase the price of every product. Can American agricultural products be sold in any foreign market for more than other countries will sell theirs for? If Egypt will sell her cotton for 6 cents a pound and Argentina sell her wheat for 50 cents a bushel, can America sell her wheat or cotton for more? If not, how then would you raise the prices of agricultural products?

But if you should raise prices, is not that to increase the price of everything the poor shall buy? How will you compensate them? With a dollar made of 50 cents' worth of metal? Oh, you will raise the value of the metal to par, will you? Then how have you helped the poor?

will raise the value of the metal to par, will you? Then how have you helped the poor?

But remember in doing this you are to take a metal that is now admitted to be worth only the daily universal market price, and by your new law make money of it, and, as money, rate it at double that market price. What will the result be? You will take a metal which the judgment of the civilized world has now rated at 67 cents an ounce and give it a value of 129 cents an ounce as money. Will the world raise its market price of that metal to the rate you set on it by law? Which nation will do it? You complain now of the power of England. But you in the same breath propose to double the power of England's money. For while the market value of the world's silver remains as it is, if you adopt this Senate substitute, every \$1,000 of England's money will buy as much property here as \$2,000 of the money you propose for us. How will that relieve us of the power of England over our finances or our business? What is the experience of Mexico? It is an admitted fact that \$1,000 of our money or \$1,000 of England's money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property there as \$2,000 of the money will buy as many cattle or as much property the second of the money or \$1,000 of the money or \$ money will buy as many cattle or as much property there as \$2,000 of her own money. Who will own her property in the end? If you make this law who will own the great industries of our coun-

you make this law who will own the great industries of our country in a few years more?

Is is not enough that you have turned over to England the work of our manufactories, or must you also turn over to her the purchasing power? In every country in the world now on a silver basis her dollars will buy twice as much of anything that nation sells as that nation's dollars. Must we put ourselves also under her power in the same way by going to a silver basis?

When did any nation get any advantage by depreciating its money? When did any nation get any advantage by depreciating its coin? What nation ever gained anything by coining either silver or gold for more than its commercial value as rated in the business of the world? In the great speech of Senator Jones in the first session of the Fifty-third Congress, he asserts that, "Of

course with unrestricted coinage the mint value and the bullion value will be the same." But when? Adopt this Senate substitute and you will have unrestricted coinage. Can you expect them to take 16 pounds of pure silver and buy 1 pound of pure gold? What man will take his pound of gold to the mint and take 16 pounds in silver dollars for it when he can take his pound of gold outside of the United States and buy twice as much silver or twice of anything, else that men sell as he could with the 16 as much of anything else that men sell as he could with the 16 pounds of silver.

pounds of silver.

I know he lays great stress on the fact that it is the law which makes money. But it is only the debt-paying power among citizens within our jurisdiction which the law gives to money. No law can give purchasing power to money. We tried that with our greenbacks. We could pay debts with them at their face value; but when we went to purchase with them the price of everything went up and the purchasing power of the greenbacks which the law made money went down. We worked from 1865 to 1879 to bring the purchasing power of the greenback to par with the debt-paying power, so that the money paid to laborers and producers on what was due them should have as much purchasing power of the greenback to pay them what was due buy goods as it had debt-paying power to pay them what was due

So well was this understood that the legislature of California, on the 25th of March, 1872, presented the following resolution to the United States Senate committee while it was considering the famous act of 1873:

March 25, 1872.—Referred to the Committee on Coinage, Weights, and Measures, and ordered to be printed.

Whereas it is of the utimost importance to the workingmen, farmers, and traders of the Pacific States and Territories that the sliver coin of the United States should be raised to the value expressed upon its face: Therefore Be it resolved by the senate (the assembly concurring). That our Senators in Congress be instructed and our Representatives requested to urge upon Congress the early passage of a law raising the weight of silver coin to the standard of the year 1860.—Senate Journal, March 25, 1872, second session Forty-second Congress, page 42.

When they sent this we had free and unlimited coinage of silver 16 to 1. Why did not the distinguished Senator's theorem preat 16 to 1. Why did not the distinguished Senator's theorem prevent the fall in silver which brought that resolution forth? If the law could give purchasing power to silver, why did they ask that the weight of silver coins be increased to correspond with their face value? My friend from Wisconsin [Mr. Towne] says very plausibly that "value is a relation." He then argues that the law can fix the relation between silver and gold, and then he says both silver and gold will bear the same relation to all other commodities. commodities.

But is that true? Then why did the relation of silver and gold But is that true? Then why did the relation of silver and gold change notwithstanding the law of free coinage, so that the legislature of California asked to have the weight of the silver coins raised? They were on a specie basis then and had free coinage. They discovered that it was essential that the coin should have the same real value as the value expressed on the face, so that it should speak the truth to the laborer, farmer, and trader.

Philosophers like my friend may say, and do say, that "value is a relation," but plain business men know that value is a fact. I have not time now and here to enter into an analysis of his subject.

have not time now and here to enter into an analysis of his aphorism, but if value is a relation, then I assert that as a commercial term applied to money it means the worth of its possession and use as property compared with the worth of the possession and use of other property. That relation is a fact established by commercial usages of men.

The walks of money is not a mere level function. The green

use of other property. That relation is a fact established by commercial usages of men.

The value of money is not a mere legal function. The greenback had the legal function in its poorest days. It had the legal power to pay debts at its face, but the law could not give it purchasing power, and so it took more and more of them to buy things. The primary element of money is not its legal function of paying debts. The primary element of money is that it is property. It is this element which gives it the purchasing power. It is therefore essential that it should have the same real as nominal value. A dollar should be not only a name, but also a dollar in fact. Otherwise it perpetually speaks an untruth. The office of the Government is to "regulate the value thereof," so that its nominal value signifies its real value. The Government now signs a ten-dollar gold piece with its coin stamp, and thus says to the world, "There are 258 grains of standard gold which the Government will redeem with 232½ grains of pure gold." All men know the value of it. The Government also stamps a silver piece of 412½ grains of standard silver, which contains 371½ grains pure silver. We sign it with our coin stamp for \$1.

Will the world give back one of our ten-dollar gold pieces for every ten of these silver dollars? Why not? Because the universal commercial usages of mankind have ascertained the value of gold and the value of silver, and no law of man has ever been able to give value to coin. Men do business with coin according to their estimate of its value, no difference what the law may be.

You may write in a book that gold and silver shall be coined and used in unlimited quantities on terms of absolute equality, but that will not make them equal, neither will it make them cir-

culate together. The nations of the earth have all attempted to

use the two metals that way and have all failed.

The gentleman from Minnesota [Mr. Towne] lays great stress upon the definition of bimetallism given by Mr. M. L. Muhleman in his recent work, Monetary Systems of the World, page 12—

By bimetallism, strictly defined, is meant the free and unlimited coinage of both gold and silver into coins of full debt-paying power.

Then, notwithstanding his anxiety to be free from the dictation of England, he cites the report of the royal commission appointed in 1886 by Queen Victoria:

A bimetallic system of currency to be completely effective must, in the view of those who advocate it, include two essential features: (a) An open mint ready to coin any quantity of either gold or silver which may be brought to it; (b) the right on the part of the debtor to discharge his liabilities at his option in either of the two metals at a ratio fixed by law.

Again I say this is not bimetallism. This is bi-legal-tenderism. This refers only to the debt-paying function of money. This ignores the purchasing power of a laborer's dollar. The day laborers and the wage earners of America are not the men who are asking and the wage earners of America are not the men who are asking a general bankruptcy act of this kind by which men may now pay off at 50 cents on the dollar. This is not the bimetallism which the people are in favor of by tradition and interest. The bimetallism of tradition and interest in America is the concurrent use of both gold and silver at one value for purchasing the necessaries or luxuries of life as well as for paying debts. Therefore it is that—

"We are in favor of the largest possible coinage and use of both gold and silver as standard money, with such restrictions and under such provisions to be determined by legislation as will secure and maintain the parity of values of the two metals, so that the purchasing and the dobt-paying power of a dollar, whether of silver, gold, or paper, shall at all times be equal. The interests of the producers of the country, its farmers, its workingmen, demand that every dollar, paper or coin, issued by the Government shall be as good as any other."

other."

This is the bimetallism which the American people by tradition and interest are in favor of. Have these gentlemen been leading their people astray from it? By this large definition, national and all-protecting in its character, American bimetallism is not the "free and unlimited coinage of both gold and silver into coins of full debt-paying power only." The question under it is not whether we shall have gold or silver, but whether we shall have justice. Shall we have money that will maintain justice between man and man? Upon this principle the nation must act in coining money and regulating the value thereof, and when it does not the honor of the nation is questioned.

I know gentlemen answer and say that silver has been forcibly

the honor of the nation is questioned.

I know gentlemen answer and say that silver has been forcibly depreciated by demonetization. But that is not true. The demonetization laws of the world were all passed because silver was falling in value before the laws were passed. And it was to prevent the injustice of two dollars of different values that they were passed. All the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that we have added to the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed is the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were passed in the silver that was in use when they were the silver that was in use when they were the silver that was in use when they were the silver that was in use when they were the silver that was in use when they were the silver that was in use when they were the silver that was in use when they w

passed. All the silver that was in use when they were passed is still in use and we have added to it \$500,000,000 in eighteen years. I know they will answer that gold has appreciated and become more valuable. But is that true? The very tables of Soetbeer, which are quoted to prove this, show that from 1866 to 1892 the world's product of gold exceeded \$3,276,000,000. That is \$116,000,000 more than the world's product for the three hundred and fifty-eight years from the discovery of America to 1851. The world's product of silver from 1866 to 1893 was \$3,063,000,000, making a joint output of \$6,339,000,000. joint output of \$6,339,000,000.

The period of greatest prices was in 1865. The joint product of gold and silver from 1851 to 1865 was greater than ever known in the history of metals to that time. Yet the joint product of gold and silver from 1866 to 1893 was \$3,781,000,000 more than the output from 1851 to 1865. All the gold and silver that was then in use remained in use, while this vast sum was added to it. All this increase of the metals is largely in excess of the increase of the population or of commerce in the world during the same time.

If there is anything in the theory that prices are dependent on the volume.

If there is anything in the theory that prices are dependent on the volume of money in circulation as compared with the volume of commodities offered in the market there should have been the greatest inflation of prices wit nessed in modern times.

I will not now go into the vast productions of other wealth, for the tables of statistics will show the varying prices up and down as supply and demand, good seasons and bad seasons, have surged to and fro for the last twenty years. But I ask your attention to the fact that the metal which you now propose to fix as our money has been steadily falling as we have been increasing all our business and increasing all our instruments and agencies of business. We did the best we could to keep it up.

The United States, since 1878, has bought 459,946,701 ounces of silver, for which \$464,210,262.96 has been paid, but its present value is only \$309,536,118.17, which shows a loss of \$154,674,143.79. And you propose to make up this deficiency by this silver Senate sub-

My colleague [Mr. Long] has given notice of his amendment, providing that this free coinage shall apply to the American prod-

I know that many men in our great State earnestly hope that this may be done. The spirit of an American which makes him in favor of a home product and of a home market makes me wish

that I could see how this would be done with safety to all our that I could see how this would be done with safety to all our people. The product of our silver mines from 1834 to 1844 averaged \$25,000 a year. From 1845 to 1857 the product averaged \$50,000 a year. In 1858 it was \$500,000. In 1859 it was \$100,000; in 1800, \$150,000. In 1851 it was \$2,000,000. The next year it was \$4,000,000, and the next year \$8,000,000, and ever since it has gone on increasing until in 1873 it was \$37,300,000 and in 1893 it was \$77,575,757. The aggregate production of our own silver mines from 1873 to 1803 was \$1,142,700,000, counting it at \$1.29 an ounce for navment to anybody It is only worth to-day 67 cents an ounce for payment to anybody outside the United States except for the promise of our statute to maintain the parity of the dollars and the practice of our Treasury in exchanging gold for them or for the silver certificates issued on the deposit of silver dollars in the Treasury. If it is only worth 67 cents an ounce without that action of the Treasury, how would this substitute or amendment make it worth any more? We ought to have a processable answer to this question.

to have a reasonable answer to this question.

The proposition to protect it by a tariff equal to the difference between the 67 cents an ounce and \$1.29 an ounce is not a true application of the American tariff. The true application of the American tariff protects American producers from unfair competition from other countries, but it leaves competition free among American producers, and we get the benefit of that free competition. But a free coinage of the American product of silver with a protective tariff that will prohibit foreign silver does not leave free competition among American silver mines. It creates them all into a monopoly of their product at a fixed price and the American people are compelled to take, at \$1.29 an ounce, a product which they could exchange wheat or beef for elsewhere at 67 cents an ounce. Would this be right?

It is not expectation to the use of silver as more way over expectation.

an once. Would this be right?

It is not opposition to the use of silver as money, nor opposition on my part to the silver producers of my country, that makes me feel it my duty to say these things. I own no gold mines nor gold. I own no wealth of property to be affected by your decision. I highly value the friendship and approval of many men who think this substitute, or at least this amendment, for the free coinage of the American product should be accounted.

this substitute, or at least this amendment, for the free coinage of the American product should be accepted.

But we are here to ascertain the truth about a matter in which every home in the nation is interested. "Let no coward thought of praise or of blame turn by so much as a hair's breadth the fine scales of honor while we weigh this truth and declare the result." When I ask what the result will be, no man makes a definite answer. No proposal is stated here to maintain the parity—the purchasing power equal with the debt-paying power—of all the dollars. No proposal is stated here to fill up the deficiency in the Treasury with a reserve that will maintain the present paper money—the greenbacks and coin notes and silver certificates at par with anything but silver. No proposal is here to provide a revenue that will be sufficient for the expenses of the Government. To these serious questions the whole answer is "free coinage or nothing."

"Nothing" does not mean standing still. It means going on in-creasing the public debt. It means to go on importing goods while our manufactories rust in idle silence and our workingmen go with-

I know we must settle this question for ourselves. I do not hope for an international agreement, because no people can afford to alienate its freedom by a monetary treaty. No nation can consent that other nations shall decide how much money it shall have. No nation can do so without subjecting itself to the power of the

France chained herself to the other nations in the Latin Union and they obligated themselves to redeem their silver coinage in gold within one year from the notice to terminate that union. None of them dare to serve that notice for fear they will have to settle up. Meantime the national debt of France has increased more

the up. Meantime the national debt of France has increased more than \$1,500,000,000 in the last five years. The monetary union has not helped her. We must settle the question ourselves.

From 1878 to 1893 we were paying our national debt. From the day the last tariff law went into effect we have been increasing our national debt. During the last seventeen months the total receipts of the Government have been \$429,323,353. The total expenditures have been \$502,487,296. The deficit in revenues has been \$74,164,296. But the increase of the national debt has been \$262,000,000 in honds. \$262,000,000 in bonds.

\$262,000,000 in bonds.

Where has the other \$187,836,804 gone? It has gone to pay the balance of trade account that you have set against us. Our gold has been withdrawn and shipped out of the country to pay for goods which we used to make here and pay for here, and to pay for raw material which we used to produce here and pay for here. It is the private indebtedness of the country which is turned into a national debt by withdrawing our gold to pay for these things. Will you change the balance of trade account and set it in our favor by this substitute? Turn your eyes from this substitute hill to the record of our exports and imports for the last seventsen months and then tell us, if shame will permit you to speak, what relief for the country or for the Treasury there is in this substitute. substitute.

The Silver Question.

SPEECH

HON. JOHN F. SHAFROTH.

OF COLORADO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 5, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. SHAFROTH said:

Mr. SHAFROTH SAII:
Mr. SPEAKER: This bill, as it passed the House, was for the purpose of creating a coin redemption fund. The Senate has amended the bill by providing a substitute therefor authorizing the free coinage of silver. It is this free-coinage measure that is now before the house for discussion.

The difficulty that has arisen so far in the discussion of this question is that they have here now data or promises lated down the contraction of the superior of the sup

tion is, that there has been no data or premises laid down upon which we have agreed as a foundation for our arguments; and yet there are some truths that are generally conceded.

There are two kinds of money in the world.

First. Primary money, by which I mean money of ultimate payment or redemption; and
Second. Credit money, by which I mean promises to pay, based upon the general credit of the Government, redeemable in primary

Primary money has two functions: First, as a measure of value, and second, as a circulating medium.

Credit money does not act as a measure of value as long as it is redeemable in primary money, because its exact value is fixed by the money in which it is redeemable, but it does act as a circulating

There is one fact that we can all agree upon, no matter what our views may be upon the financial question, and that is, that there is not now and never has been a sufficient quantity of primary money in the world. This truth is demonstrated by the fact that all nations, in order to relieve their necessities for a circulating medium, have been compelled to resort, either directly or through their banking institutions, to the issuance of credit money. No government would undertake the hazards of maintaining credit money unless there was an imperative necessity for the same, and money unless there was an imperative necessity for the same, and no nation would ever authorize banking institutions to control the

no nation would ever authorize banking institutions to control the currency if there was sufficient primary money in circulation.

There is in existence at the present time in the world \$2,469,000,000 of such credit money, and if silver be treated as token or credit money by those nations that have adopted the single gold standard, there is in existence in the world nearly \$6,000,000,000 of credit money. This credit money represents the amount of shortage in the world of primary money.

There are two propositions that I first desire to discuss:

First. That in theory by the demonetization of silver there should have been an enormous increase in the value of gold; and Second. That in actual experience there has been an enormous increase in the value of gold.

APPRECIATION OF GOLD.

APPRECIATION OF GOLD.

Previous to 1873 two metals formed the base upon which was built all the credit and commerce of the world. These metals are designed by nature as money metals on account of their quality of indeall the credit and commerce of the world. These metals are designed by nature as money metals on account of their quality of indestructibility, their compactness as compared to value, and the difficulty with which they are extracted from the earth. So evenly has nature stored these metals in the earth that, notwithstanding free coinage of both metals existed in many of the nations for conturies, yet the amount of gold and silver coined in the world previous to 1873 was practically the same. By the demonetization of silver in the various nations of the earth one of these two metal moneys was stricken down as a money of ultimate payment. All the burdens which both metals had borne were thereby shifted on to one. As these metal moneys were, and now are, practically equal in amount, the burden upon that one was thereby doubled. Doubling the burden upon a metal doubles the demand for the same, and doubling the demand for it doubles the value thereof.

If there is any truth in the principle of supply and demand, this conclusion must inevitably follow. It is therefore mathematically certain that if the demonetization of silver had taken place throughout the world simultaneously, the doubling of the value of gold would have surely followed. It is true that demonetization of silver has taken place gradually. One nation after another at intervals of time has adopted the single gold standard. The result has been the gradual shifting of the burdens borne by both gold and silver onto the gold alone, thus making a gradual increase of demand for gold and a consequent gradual increase in the value thereof. It is also true that demonetization of silver has not yet taken place throughout the world, as there are still some nations that relieve throughout the world, as there are still some nations that relieve

the strain on gold by holding their mints open to the free coinage of silver. It is for that reason gold has not yet doubled in value.

The coinage of silver on government account by standard nations

The coinage of silver on government account by standard nations does not relieve the strain on gold, because such nations do not make silver a money of ultimate redemption. Such governments treat silver as token or credit money, and either directly or indirectly offer to redeem it in gold. The silver coin then becomes simply a promise to pay gold. The coinage of silver in that manner makes that many more obligations of the government redeemable in gold, and hence makes that much more burden that gold as the money of ultimate payment must bear. Thus the coinage of silver on government account instead of relieving the strain on gold actually increases the demand for it and consequently the value theretain the gold dollar is the unit of measurement in this country, its increase in value can not be estimated in dollars and cents, but only As the gold dollar is the unit or measurement in this country, its increase in value can not be estimated in dollars and cents, but only in its increased purchasing power, and its increased purchasing power can only be estimated in the decline in price of everything that gold will buy.

If gold wore simply a commodity, and not a standard or measure of value, its appreciation would be of comparatively little consequence; but it is because of its being a measure for everything else the result that it is an important to marking the checkless.

quence; but it is because of its being a measure for everything else in the world that it is so important to mankind that it should not increase in value. As the debts of the world are increased by the increase of the measure, doubling the value of the measure doubles the size of the debt calculated by that measure.

Now, Mr. Speaker, what does the doubling of the value of the standard gold dollar mean? It means the doubling of every other dollar redeemable in that coin. It means that the man who has his wealth invested in bonds or notes awakes to the realization that his fortune in purchasing power has been doubled; that the man who has his wealth invested in anything that gold will buy finds that by the doubling of the value of gold what he has to sell will only bring one-half as much as it formerly did.

That legislation is indeed pernicious that in its effect doubles one

That legislation is indeed pernicious that in its effect doubles one man's wealth and divides in half the wealth of another. But what is the effect upon the wealth of those men who in order to develop the resources of the country have borrowed money with which to aid in the establishment of their enterprises, or who have been so unfortunate as to mortgage their lands to the extent of one-half their value? Doubling the value of the dollar to such men means the total annihilation of their wealth. As the debts in the United States alone are estimated to be more than \$20,000,000,000, it is apparent alone are estimated to be more than \$20,000,000,000, it is apparent that the consequences of doubling the value of gold in this country must be most appalling. It is contended that as demonetization of aliver by the nations of the earth has taken place gradually, the addition to the stock of gold has relieved this increased demand upon it. That would be true to a certain extent if commerce and debts had not increased during that period. We know that by the increased and ever-increasing facilities of transportation commerce has been increasing at the rate of more than 6 per cent per annum, while the increase in the gold coin of the world has very little exceeded 1 per cent per annum. The production of gold in 1894 was \$180,626,100, the highest amount ever reached in any year up to that time.

It has been estimated by Mr. Giffen, the statistician of the London Board of Trade and a gold monometallist, that the arts consumed as much gold as the annual product, and that in the arts there was melted as much gold cain each year as there was new gold

Sir Lyon Playfair, a member of the British Parliament and a gold monometallist, has estimated that at least 75 per cent of the annual product of gold goes into the arts.

Prof. C. L. Fawcett, another gold monometallist, estimated that of the annual product of 1892, viz, \$130,650,000, there was consumed in the arts \$110,000,000.

We know as a matter of fact that the consumption of gold in the we know as a matter of fact that the consumption of gold in the arts has multiplied in recent years. Twenty-five years ago, in a town of a thousand or fifteen hundred population, you could count almost on the fingers of your two hands the number of gold watches, chains, and charms worn by its citizens. To-day at least ten times that number are in use among the people of the same community, and the same rate of increase has been made as to medals and other gold ornaments. The enormous amount of gold used in gilding and in dentistry has increased even in a still higher proportion.

Taking the most liberal of the estimates above referred to, we have no greater sum than \$45,377,500 in gold per annum to be added to the stock of primary money of all the gold-using nations on earth. The world's stock of gold coin is about \$4,000,000,000. The annual increase in that stock is therefore a very small fraction over 1 per cent. The condition therefore is, that our stock of primary money is increasing at the rate of a little over 1 per cent per year, while it is upholding and bearing the burdens of commerce and credit, which in the past twenty-five years have been increasing at the rate of more than 6 per cent per annum. The inevitable result of such a condition must be the continual increase in the value of gold, occasioned by the continual increased demand on it by commerce and credit. By adhering to the single gold standard, therefore, we are tying ourselves to a metal the production of which does not keep pace with the increase of commerce. Taking the most liberal of the estimates above referred to, we

To divide the \$45,377,500 in gold among all the gold-using countries in the world would be to add only a few million dollars each year to the primary money of the United States. We know that the demand which the United States alone has made upon gold in order to maintain its reserve during the past two years has been \$262,000,600, including the bond issue bid for to-day. This amount is several times greater than that part of the annual gold product that goes into coin for the entire world. Is there any wonder that there is a terrible strain on the gold in the world and that the enormous demand which is being made upon it is continually increasing its value? It is this increased demand for gold that has increased its purchasing power. That is the reason why prices are continually falling. When the measure of value is increasing gradually each year, the result is bound to manifest itself in the diminished price of all the commod-

ities and property that it measures.

Previous to 1873 any person had the right to take silver bullion to the mints of the Latin Union to have it coined, free of charge, into money, just the Latin Union to have it coined, free of charge, into money, just the same as he now has the right to have gold coined. The principal use of silver is for money. Suppose the governments of the world were to conclude that wheat bread was not as healthy as bread made from corn, and should enact laws prohibiting the mills from grinding wheat. Can there be any doubt, if those laws were enforced, that wheat would be worth almost nothing, that it would sink in price to what it would be worth as feed for animals? And can there be any doubt that the price of corn would increase enormously? The more statement of the proposition is conclusive of its truth. Why should not that

price of corn would increase enormously? The more statement of the proposition is conclusive of its truth. Why should not that same principle of supply and demand apply to gold and silver? Can the nations of the world annul the right to have silver coined into money and leave their mints open to the free and unlimited coinage of gold, unless it increases enormously the value of the latter metal and correspondingly decreases the price of the former? In 1873, when silver was demonetized by the United States and Germany, there were only three nations in Europe that had the single gold standard. They were Great Britain, Turkey, and Portugal. Turkey at that time was upon an inconvertible paper currency and honce was making little or no demand upon gold. Great Britain at that time had a population of 32,000,000 and Portugal a population of 6,000,000. Thus only 38,000,000 of people were making demands upon gold alone for monetary purposes.

At that time there were six nations in Europe that had a bimetallic standard. They were France, Belgium, Switzerland, Italy, and Greece, constituting the Latin Union, and Spain. There were only two of them, namely, Belgium and Switzerland, that were then on a specie basis.

There were seven nations in Europe at that time that had the single Norway, Denmark, and Holland. All of these were on a coin basis except Russia and Austria. The United States at that time had the bimetallic standard, but was upon an inconvertible paper currency. None of these nations now have a bimetallic standard, but the gold valuation prevails in every one except Russia, Italy, and Greece, which are still upon inconvertible paper currencies. France mainvaluation prevails in every one except Russis, Italy, and Greece, which are still upon inconvertible paper currencies. France maintains a very large silver currency, but upon a gold valuation. At the present time the demand upon gold is enormous. Great Britain, with its present population of 38,000,000; Germany, with its population of 50,000,000; Austria, with its population of 40,000,000; Turkey, with its population of 33,000,000; Norway and Sweden, with their population of 7,000,000; France, Belgium, and Switzerland, with their population of 47,000,000; France, Belgium, and Switzerland, with their population of 47,000,000, and the United States, with its population of 70,000,000, are all in the struggle for gold in order to preserve their redemption funds. Thus 252,000,000 were demanding. Is it any wonder that gold, notwithstanding its recent increased Is it any wonder that gold, notwithstanding its recent increased annual product, has been going higher and higher in value each year? How can anyone who recognizes truth in the principles of supply and demand claim with reason, in view of this situation, that gold has not increased in value?

It seems to me, therefore, conclusive that, in point of theory, by reason of the demonetization of silver and the shifting upon gold of all the burdens of primary money, which both metals formerly bore, that gold has enormously increased in value.

FALL IN PRICES

The second proposition is that in actual experience the theory that there has been an enormous increase in the value of gold has

As the increase in the value of a standard or measure can not be calculated by the standard itself, the only way that it can be measured is by its increased purchasing power. That increased purchasing power in gold is manifested in the fall of the price of everything that gold will buy. When you see one commodity get cheaper, while all others remain of stationary value, in order to ascertain the cause of the decline in price of the one you naturally look to the other remains of stationary value, in order to ascertain the cause of the decline in price of the one you naturally look to the question of supply and demand as to that one commodity, but when you find that all commodities and properties, except those that are buoyed up by some special advantage, are declining in price year after year you are bound to come to the conclusion that it is not on account of overproduction, but that the fault is in the increase of the measure of value. That there has been a continual fall in the price of almost all commodities can hardly be questioned. It is always best to take from an undoubted authority the statistics by

price of almost all commodities can hardly be questioned. It is always best to take from an undoubted authority the statistics by which a fact is proven.

The tables of Mr. August Sauerbeck, an eminent statistician of London, are perhaps the most complete and reliable of any to be found in the world. They were not framed with any relation to the silver question, and hence any prejudice for or against silver could not have entered into their compilation. These tables show the range of prices in the London market of forty-five of the principal commodities in the world for a series of years. In one set of these tables he takes as his base, or par value, which he designates as the 100 mark, the average price of the commodities for the eleven years between 1867 and 1877. According to this set of tables the average price of those commodities fell in 1895 to 62 per cent of what they averaged in the period above stated. This percentage of decline in the price shows conclusively that gold, since that period, has increased in purchasing power as regards those commodities 61.3 per cent. Another set of tables (deduced from Mr. Sauerbeck's tables), showing the range of prices of the asma forty-five commodities for the year 1873. This set of tables shows that the average price of those commodities in 1895 was only 55.8 per cent of what their rates are as in 1872, which shows that the cent of what their of those commodities in 1895 was only 55.8 per cent of what their price was in 1873, which shows that gold in purchasing power as to those commodities has increased 79.2 per cent.

I ask leave to insert in my remarks the following table:

Mr. Bauerbeek's Index Numbers, to which is added the annual average price of eliver in London and to which is added index numbers of the same 45 commodities, taking as their base the average prices of 1873.

Хеат.	Sauerbeck's Index Num- bers of 45 principal commodities taking aver- age price of 1867-1877 as their base= 100,	Index Numbers of same 45 principal commodities taking the avorage price of 1878 as their base=100.	Sauerbeck's Index Num- bers of silver taking the price 1807- 1877 of 60.84d.—100.	Annual average price of silver in London.
1875	72 72 73 68 68 69 60 60 60, 8 61, 7 62, 5 63, 3 63, 3 63, 3	100 92 86 85 84 78 75 79 76 78 68 65 61 61 67 65 61 61 67 65 65 61 61 67 65 65 61 67 65 65 61 67 65 65 65 65 65 65 65 65 65 65	95. 8 93. 3 86. 7 90. 2 88. 4 84. 2 85. 9 85. 9 83. 1 83. 3 70. 9 74. 3 70. 4 70. 2 76. 4 74. 1 65. 4 647. 6 47. 6 49 45. 1 45. 3 48. 9 40. 7 50. 2 50. 2 50. 2 50. 2	Pence. \$8,4

The fall of price in commodities generally has not been denied, to my knowledge, upon the floor of this House, in this debate, Various members have attempted to explain the causes of this decline, but none have denied the fact itself.

decline, but none have denied the fact itself.

The claim they make is that the decline in price has been caused by overproduction. If this decline had only been for one year, or if the price of a large number of commodities had gone higher, while as to others it had fallen, that theory might be a reasonable explanation; but when this fall in price of almost all commodities has been continuing year after year, you are driven to the conclusion that it is not overproduction that has caused the decline. Man will not year after year continue to overproduce all commodities.

HAS THERE BEEN OVERPRODUCTION OF SILVER!

The theory of overproduction will not account for the decline in the gold price of silver. It is true that in recent years the production of silver has been increasing, but it must be remembered that the annual production of gold has also been increasing. It was not until 1882 that the annual product of silver exceeded that of gold, and yet the gold price of silver had been declining ever since 1873. The table which I hold in my hand, and ask to have incorporated in

my remarks, shows the world's production of gold and silver from 1792 to 1894. It was issued from the Treasury Department, Bureau of the Mint, August 16, 1899, and can be found in the Government publication called "Coinage Laws of 1894," at page 103. (It is also verified in the report of the Secretary of the Treasury for 1894 at page 304.) To that table I have added the world's production of gold and silver for the years 1893 and 1894 as estimated by the Treasury Department. Treasury Department.

Production of gold and silver in the world, 1792-1894.

Calendar years.	Gold.	Silver (coining value).	Total.	
1792–1800	\$106, 407, 000	\$328, 800, 000		
1801-1810	118, 152, 000	371, 677, 000	#435, 267, 000	
1811-1820	76, 063, 000	224, 796, 000	489, 829, 000	
1821-1830	94, 479, 000	191, 444, 000	200, 849, 000	
1831-1840	134, 841, 000	247, 930, 000	285, 923, 000	
1841-1848	291, 144, 000	259, 520, 000	382, 771, 000	
1849	37, 000, 000	39, 000, 000	550, 664, 000	
1850	44, 450, 000	39, 000, 000	76, 000, 000	
1851	67, 600, 000	40, 000, 000	83, 450, 000	
1852	132, 750, 000		107, 600, 000	
1853	155, 450, 000	40, 600, 000	173, 350, 000	
1004		40, 600, 000	196, 050, 000	
1854	127, 450, 000	40, 600, 000	168, 050, 000	
1855	135, 075, 000	40, 600, 000	175, 675, 000	
1856	147, 600, 000	40, 650, 000	188, 250, 000	
1857	133, 275, 000	40, 650, 000	173, 925, 000	
1858	124, 650, 000	40, 650, 040	165, 300, 000	
1859	124, 850, 000	40, 750, 000	165, 600, 000	
1860	119, 250, 000	40, 800, 000	160, 050, 000	
1861	113, 800, 000	44, 700, 000	158, 500, 000	
1862	107, 750, 000	45, 200, 000	152, 950, 000	
1863	106, 950, 000	49, 200, 000	156, 150, 000	
1864	113, 000, 000	51, 700, 000	164, 700, 000	
1865	120, 200, 000	51, 950, 000	172, 150, 000	
1866	121, 100, 000	50, 750, 000	171, 850, 600	
1867	104, 025, 000	54, 225, 000	158, 250, 000	
1868	109, 025, 000	50, 225, 000	159, 950, 000	
1869	106, 225, 600	47, 500, 000	153, 723, 000	
1870	106, 850, 000	51, 575, 000	158, 425, 000	
1871	107, 000, 000	61, 050, 000	168, 050, 000	
1872	99, 600, 000	65, 250, 000	164, 850, 000	
1873	96, 200, 000	81, 800, 000	178, 000, 000	
1874	90, 750, 000	71, 500, 000	162, 250, 000	
1875	97, 500, 000	80, 500, 000	178, 000, 000	
1876	103, 700, 000	87, 600, 000	191, 300, 000	
1877	114, 000, 000	81, 000, 000	195, 000, 000	
1878	119, 000, 000	95, 000, 000	214, 000, 000	
1879	109, 000, 000	96, 000, 000	205, 000, 000	
1880	106, 500, 000	96, 700, 000	203, 200, 000	
1881	103, 000, 000	102, 000, 000	205, 000, 000	
1882	102, 000, 000	111, 800, 000	214, 800, 000	
1883	95, 400, 000	115, 300, 000	210, 700, 000	
1884	101, 700, 000		207, 200, 000	
		105, 500, 000		
	108, 400, 000	118, 500, 000	226, 900, 000	
	106, 000, 000	120, 600, 000	226, 600, 000	
1887	105, 775, 000	124, 281, 000	230, 066, 000	
1888	110, 197, 600	140, 706, 000	250, 903, 000	
1889	123, 489, 000	162, 159, 000	285, 648, 000	
1890	118, 849, 000	172, 235, 000	291, 084, 000	
1891	126, 184, 000	186, 447, 000	812, 631, 000	
1892	138, 861, 000	196, 459, 000	335, 320, 000	
Total	5, 663, 216, 000	5, 077, 529, 000	10, 740, 745, 000	
1893	157, 228, 100	209, 165, 000	366, 393, 100	
1894	180, 626, 100		397, 518, 300	
Total	6, 001, 070, 200	5, 503, 586, 200	11, 504, 656, 400	

The treatment by the advocates of the single gold standard of the annual production of silver as compared with the annual production of gold has been exceedingly unfair. For instance, take the production of the year 1892—\$138,861,000—of gold compared to \$196,459,000 of silver (coinage value). They contend that as there was one-third more silver than gold produced in that year there ought to be an equivalent fall in the price of silver. Because the production of silver in any one year has exceeded the production of gold, it does not follow that the decrease in the price of silver should be in proportion to the excess of silver over gold in that year. The man who makes such an argument makes the mistake of treating silver as a commodity which is consumed in the using of it. That principle would apply to wheat or any of the product that are consumed each year. But silver is an indestructible metal and its annual production is but a very small per cent of the total amount of silver in the world, and when produced it does not constitute a separate mass upon which the principle of supply ond demand can operate, but forms a part of the total stock of silver in the world.

Where silver fells it effects the entire was a filver post the the world.

When silver falls it affects the entire mass of silver, not the When silver falls it affects the entire mass of silver, not the annual product only. Hence, on the theory of overproduction, you would have to double the entire mass of silver in order to produce a fall in price of 50 per cent, and if measured in gold you would have to make the increased mass of silver double the mass of gold. It can therefore be readily understood how insignificant must be the effect of the annual increase of production upon the total silver of the world. The way to find the relative increase of silver over gold is to add the annual product of silver to the total silver stock, then add the annual product of gold to the total gold stock and find what per cent the total silver thus found bears to that in the year 1891, when the greatest excess of silver over gold ever was produced, when the production of silver exceeded that of gold by \$60,000,000 that it represented an increase in the total silver of the world over gold of less than one-half of 1 per cent. On the theory of overproduction no greater change in value could have occurred than that.

But we find that while the

occurred than that.

But we find that while the percentage of the increase of the total mass of silver over gold has been very small, and has existed only since 1882, that the decline in the gold price of silver has been enormous, although silver in purchasing power of staple products has comparatively kept a steady value. If the annual product is of such an important character, what can be said in defense of that theory (of overproduction of silver causing fall of its price) when the world's product of silver for 1895, as near as can be ascertained at the present time, is less than 5 per cant more than that of gold.

the world's product of silver for 1895, as near as can be ascertained at the present time, is less than 5 per cent more than that of gold. It is manifestly unfair to take the annual product of either metal for a short period of time and attempt to fix thereby their relative value. The history of the production of the precious metals shows that the greater annual product will oscillate from one to the other. It is only by taking the production for a long series of years that any fair conclusion can be deduced therefrom. It is shown by the last table to which I have referred that the total production of gold for more than the past century, namely, from 1792 to 1894, has been for more than the past century, namely, from 1792 to 1894, has been almost exactly equal to the total production of silver in the same almost exactly edgas to the total production of silver in the same ahould have remained the same. It is therefore conclusive that the fall in the gold price of silver is not due to the production of more silver than gold, but is due solely to the increased demand upon gold and the decreased demand upon silver, produced by the demonstration.

etization of the latter, which caused all the burdens which both metals have borne as primary money to be shifted onto gold

HAS LABOR FALLEN IN PRICE

It is claimed that labor has not declined in price, and therefore the appreciation of gold is not the cause of the fall in prices. Our opponents usually take the year 1860 as the date of the comparison of wages. In the first place that date is not a fair one, because at that time nearly one-half of our nation afforded a poor market, if any, for labor on account of the existence of slavery therein. The any, for labor on account of the existence of slavery therein. The price of labor in the remainder of the Union was most seriously affected by the proximity thereto of the cheap labor that slavery afforded. But the principal reason why there has not been as much reduction in wages of those actually employed as there has been in the price of commodities, is because wages have been held up by all manner of human devices in the shape of trades unions and labor organizations. Labor never had a fair opportunity to compete with capital until within the last few years. But not with standing these advantages, if you take into consideration the number of men out of employment, there is a far less total sum paid for labor than if all were employed at greatly reduced wages. It is absurd to say that the products of labor may fall year after year and yet

not affect the price of labor.

I hold in my hand a statement compiled by the Secretary of Agriculture in response to a request from Senator Hansbrough of North Dakota showing the world's production of wheat from 1885 to 1892, which I ask leave to print in my remarks. Of course, it is not possible to compile with accuracy the world's product of wheat, as the data from various countries are very incomplete, and hence this statement is an estimate only. The following is the table.

Countries.	1885.	1886.	1887.	1888.	1889.	1800.	1891.	1892,
	Bushels.	Bushels.	Buskels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
United States	357, 112, 000	457, 218, 000	456, 329, 000	415, 868, 000	490, 500, 000	399, 262, 000	611, 780, 000	515, 949, 000
Ontario	31, 572, 931	28, 459, 322	20, 706, 452	20, 923, 700	19, 288, 983	22, 643, 193	33, 611, 074	29, 696, 129
Manitoba	7, 209, 479	6, 922, 723	12, 741, 050	7, 220, 640	7, 428, 511	15, 124, 034	23, 922, 598	14, 909, 420
Argentina and Chile	* 25, 000, 000	* 28, 800, 625	* 28, 000, 000	* 28, 375, 000	* 24, 118, 750	* 60, 271, 043	* 47, 256, 500	* 47, 549, 418
Austria.	48, 281, 992	44, 644, 090	52, 351, 733	51, 843, 452	38, 376, 795	44, 059, 962	41, 070, 590	147, 123, 526
Hungary	113, 805, 460	102, 846, 419	145, 906, 514	135, 859, 786	96, 520, 530	148, 017, 904	126, 268, 750	138, 223, 680
Belgium	18, 516, 935	18, 219, 412	19, 887, 110	15, 298, 980	19, 339, 038	19, 409, 505	14, 187, 500	20, 748, 363
Denmark	5, 533, 355	5, 201, 640	6,024,672	3, 805, 465	4, 977, 875	4, 062, 599	4, 606, 445	*4, 538, 680
France.	311, 733, 033	204, 427, 005	319, 094, 204	280, 176, 816	307, 357, 350	231, 748, 810	219, 241, 787	310, 037, 79,
Germany	96, 505, 881	97, 973, 269	104, 013, 175	92, 991, 571	87, 170, 363	104, 020, 781	85, 750, 011	* 100, 057, 440
Great Britain & Ireland	82, 071, 332	65, 285, 353	78, 567, 593	76, 760, 671	78, 149, 523	78, 306, 016	77, 016, 151	62, 621, 750
Greece	*4, 965, 625	*4, 907, 250	*5,000,000	*4, 823, 750	*5, 900, 900	*5, 675, 000	*5, 675, 000	*3, 972, 500
Italy	117, 027, 013	119, 793, 575	126, 223, 350	110, 005, 000	108, 934, 463	131, 433, 000	141, 455, 050	£115, 676, 43
Netherlands	6, 325, 545	5, 194, 702	6, 889, 532	5, 243, 700	6, 473, 217	*6, 189, 120	*3, 713, 472	*5, 675, 000
Portugal	*7, 661, 250	*8, 228, 750	*6,000 000	*7, 093, 750	*8, 512, 500	*8, 252, 160	*8, 252, 160	*6, 100, 621
Roumania	*22, 629, 063	*22, 629, 063	*24, 000, 000	*51, 075, 000	*44, 784, 883	53, 607, 619	45, 672, 264	*50, 828, 160
Russia	178, 684, 400	163, 455, 273	278, 697, 917	313, 935, 995	197, 883, 931	213, 031, 826	169, 108, 708	241, 578, 384
Poland	114, 110, 000	113, 100, 009	115,600,000	14, 369, 446	10, 052, 537	12, 629, 698	12, 680, 920	24, 440, 440
Servia	* 4, 681, 875	* 4, 525, 813	* 5, 000, 000	* 4, 540, 000	* 5, 000, 000	* 10, 315, 200	* 7, 945, 000	* 4, 951, 290
Spain	* 113, 500, 090	* 131, 660, 000	* 95, 000, 000	* 101, 156, 875	75, 622, 213	* 70, 143, 360	71, 349, 094	*78, 395, 528
Sweden	3, 974, 773	3, 867, 487	4, 370, 485	3, 853, 736	3, 809, 037	4, 018, 963	14,551,350	£4, 559, 861
Norway	1280,000	1 280, 000	* 230, 000	* 312, 125	* 283, 750	236, 602	412, 608	* 412, 600
Switzerland	*2,057,188	*1, 645, 750	*2,000,000	*1, 702, 500	*2, 270, 000	*2, 475, 648	4,041,766	*3, 300, 864
Turkey in Europe	*45, 400, 000	*41, 143, 750	*42,000,000	*42, 562, 500	*39, 725, 000	*37, 134, 720	*33, 608, 646	*24, 756, 486
India	200, 155, 584	258, 317, 623	238, 565, 947	266, 882, 112	237, 522, 133	228, 502, 000	255, 434, 667	203, 168, 00
Asia Minor	*43, 200, 938	137, 000, 000	137, 000, 000	*38, 306, 250	*36, 887, 500	*37, 134, 720	*37, 029, 375	*37, 134, 72
Persia	*26,743,438	22,000,000	122, 000, 600	*22, 700, 000	*22, 500, 000	*22,693,440	*20, 630, 400	*18,567,36
Syria	*16, 457, 500	14, 000, 000	14, 000, 000	*14, 187, 500	*12,768,750	*12, 378, 240	*I2, 343, 125	*12, 378, 24
Japan	12, 382, 906	16, 153, 383	15, 571, 400	15, 839, 821	16, 491, 845	12, 567, 996	18, 131, 295	*13, 857, 80
	*22, 700, 000	*32, 915, 000	21, 215, 718	*19, 862, 500	*22, 500, 000	*22, 693, 440	*21, 281, 250	19, 398, 79
Algeria	13, 600, 000	*3, 666, 022	8, 692, 555	3, 932, 090	3, 776, 137	2, 045, 616	2, 748, 749	2, 813, 46
	*14, 187, 500	*16, 457, 500	*13, 790, 600	*14, 187, 500	*7, 945, 000	*8, 252, 160	*11, 140, 416	*8, 252, 16
Australasia	38, 412, 447	¶32, 681, 648	845, 932, 961	§35, 733, 671	§35, 996, 836	43, 961, 853	33, 874, 000	37, 096, 22
Total	2, 093, 859, 443	2, 113, 950, 536	2, 266, 331, 368	2, 221, 519, 911	2, 075, 027, 329	2, 172, 372, 246	2, 206, 251, 330	2, 217, 764, 70

By this table it is shown that there has been a very equal production of wheat each year. The greatest yield of wheat in any one of those years was in 1887, and yet in that period wheat fell far below the price of that year.

HAVE IMPROVED PROCESSES CAUSED THE FALL IN PRICES!

The theory that the introduction of improved machinery and the lowering of transportation charges accounts for the decline in the price of commodities is erroneous. The price of a commodity is not determined by its cost; it is determined by the operation of the principle of supply and demand. If the price of a commodity were determined by its cost, it would never sell for less than cost, no matter how much the market in that line was glutted, and it would never sell for any considerable profit, no matter what scarcity existed in that product. The only influence that the cheapening of the cost of production and transportation has is to make the profit of the farmer greater instead of less, and the very desire to make more profits stimulates production, and thus increases the

supply, and in that way only affects prices. These influences of cheapening the cost of production ought to operate to the advantage of the farmer instead of his loss. Yet everyone knows that the farming interests of this country are in a most deplorable condition, and that no adequate return can be made upon a farm invest-ment. But even if there was some truth in the assertion that improved machinery and lower transportation charges has cheapened the price of farm products, it must be remembered that farm products, like everything else, are measured in gold and their price fixed in gold.

There can be no doubt that there have been in the past twenty There can be no doubt that there have been in the past twenty years improved processes in the treatment of gold ores, in the hoisting apparatus used in mining, in the use of electricity in drilling, mining, and igniting explosives, and in the character of high explosives for blasting, which have lowered the cost of the production of that metal far more than the improved processes in farming have lowered the prices of farm products. As a matter of fact,

Estimated.

No official figures for South Australia were published for 1886, 1887, 1888, or 1889, and the figures for that colony incorporated in the totals for Australasia for the colony and the figures for that colony incorporated in the totals for Australasia for the colony and the figures for that colony incorporated in the totals for Australasia for the colony and the figures for that colony incorporated in the totals for Australasia for the colony and the figures for that colony incorporated in the totals for Australasia for the colony and the figures for the colony and the colony and the colony and the colony are consequently and the colony and the colony are consequently are consequent

the great era of labor-saving machines in farming was from 1850 to 1873, and during all of that time there was a general rise in farm products. People unfamiliar with mining may think that trans-portation charges constitute a very small per cent of the value of the ores, and hence would affect the general cost of marketing very tittle; but they are mistaken. The greatest yield and the most constant yield is from the mines that net a very small sum per ton over the cost of mining and shipping to the smelter. And freight charges often determine whether a mine can be worked at all. When we know that there are thousands of tons of ore from the Rocky Mountain regions smelted in Chicago and in Wales, one may realize that

the haul is not a short one.

the haul is not a short one.

If the cheapening of the cost of raising products and of mining gold ores had been the same, and had controlled prices, the fall in each being the same, there should have been no fall at all when measured by each other. But the cheapening of the cost of raising and marketing farm products in the past twenty years having been less than the cheapening of the cost of mining and marketing gold ores, we are led to the inevitable conclusion that relatively there should have been a rise in farm products measured in gold, instead of a fall. We therefore conclude that this theory is erroneous, that it is the great principle of supply and demand, and not the cost of production, that controls the price of gold as well as that of farm products; that the great fall in the gold price of products is due to the fact that the demand for gold has so enormously increased; that having to bear all the burdens of primary money that both gold and silver bore, gold must have increased in value, and therefore decreased the price of every product measured by that metal.

Is less money needed from than formers.

IS LESS MONEY NEEDED NOW THAN FORMERLY!

It is contended by the single gold standard advocates, and it has been asserted on the floor of this House time and time again, that in the last few years banking facilities have become so perfect that very little money is needed to transact the commerce of the world compared to what was needed twenty years ago. At the first statement of the proposition it is apt to produce a strong impression because of the progress that has been made in the wealth and commerce of our nation. But I most emphatically deny the truth of that assertion. There is no better test of the amount of the business which is done by checks in one period over another than is found in the reports of the clearing house of such a city as New York, which had about the same number of banks twenty years ago as now. I have before me a tabulated statement of the clearings of as now. I have before me a tabulated statement of the clearings of the New York clearing house from 1869 to January 1, 1895, which I ask to have incorporated in my remarks.

It is shown by this tabulated list that the clearings for 1872 were

of the clearings of 1894; that those for the year 1873 were in excess of the clearings of 1893: The clearings for 1872 being \$33,844,369,568, and the clearings for 1894 being \$24,230,145,363; the clearings for 1875 being \$34,421,-

This list shows conclusively that, notwithstanding the enormous increase in the commerce and wealth of New York City, not as much

It is often asserted by checks as in 1872 and 1873.

It is often asserted by the single gold standard advocates that the use of checks in the last few years has become so universal that now 95 per cent of the business of the United States is done by checks. That proposition also I most emphatically deny. This same statement of the clearings of the New York Clearing House shows that it takes 5 per cent in cash to pay the balances among banks, and it must be plain and clear to any one that if it takes 5 per cent in money to settle balances among institutions which are created for the purpose of saving cash transactions, how great must be the per cent of cash in the ordinary retail transactions in city and country. cent of cash in the ordinary retail transactions in city and country. This same statement shows that it requires more money now to settle balances among the banks of New York City than it did twenty or twenty-five years ago; that in 1872 and 1873 it took 4.2 and 4.1 per cent in money, while in 1892 and 1893 it took 5.1 and 4.9 per cent in money to settle balances.

Twenty-five years ago the farmer ran his bill for all he needed at the general merchandise store and made his settlement once a year, and the text-temper of the proposal to represent the restrict of the res

and that settlement, often, if not generally, was in the products of his farm. Such a thing as a strictly cash house was almost unknown in those days. To-day there are vast numbers of strictly cash houses, and where credit is obtained the bills must be paid every thirty days. It seems to me that the fallacy of this claim should be settled forever by the admission of the Comptroller of the Currency, Mr. Eckels (who can not be said to favor the silver question in any particular), on page 381 of the Report of the Secretary of the Treasury for 1894. That statement shows that from returns made by nationally hanks all over the United States, that 41.1 per cent of the deposits banks all over the United States, that 41.1 per cent of the deposits of retail commercial houses are in money. How much greater then must be the per cent of moneyed transactions with savings banks and among the people!

CAN A PARITY BETWEEN GOLD AND SHARE BE MAINTAINED!

It is claimed by the single gold standard people that there can be no parity maintained between the metals, because there is a variation in the amount of each produced. They seem to lose sight of the fact that, in addition to the question of production, there is an in-

creased demand made for the cheaper metal by reason of the legal tender quality given to the money coined therefrom. The history of the production of gold and silver is directly contradictory to this contention. From the years 1800 to 1841 there was three times as much silver produced in the world as gold, and from the year 1850 to 1873 there was more than three times as much gold produced as silver, and yet during all that time, while the mints of France were open to the free and unlimited coinage of silver, the variation between the market price of both silver and gold did not exceed the difference between the coinage ratio of the various nations. The Paris price, where the mints were situated, was always at a parity. I hold in my hand a tabulated list of the commercial ratio parity. I hold in my hand a tabulated list of the commercial ratio of silver to gold from 1687 to 1892, taken from the Report of the Secretary of the Treasury for 1894, at page 288, which I ask to have incorporated in my remarks.

Commercial ratio of silver to gold for each year since 1687.

[Note.—From 1687 to 1832 the ratios are taken from the tables of Dr. A. Soetbeer; from 1833 to 1878 from Pixley and Abell's tables; and from 1878 to 1892 from daily cablegrams from London to the Bureau of the Mint.]

Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.
687		1729	14.92	1771	14. 06	1813	16. 25	1854	15. 33
688		1730	14.81	1772	14.52	1814	15.04	1855	15, 38
689		1731	14.94	1773	14.62	1815	15, 26	1856	15.38
690		1732	15.09	1774	14.62	1816	15. 28	1857	15, 27
1691		1733	15.18	1775	14.72	1817	15.11	1858	
692		1734	15.39	1776	14. 55	1818	15.35	1859	
.093		1735	15, 41	1777	14.54	1819	15. 33	1860	
1004		1736	15. 18	1778	14.68	1820	15, 62	1861	
695		1737	15. 02	1779	14.80	1821	15.95	1862	15. 33
1696		1738	14.91	1780	14.72	1822	15.80	1863	
1097		1739		1781	14.78	1823	15.84	1864	
698		1740		1783	14. 42	1824	15. 82	1865	15.44
1699		1741		1783	14.48	1825	15.70	1866	15, 43
1700		1742	14.85	1784	14.70	1826	15.76	1867	
1701		1743		1785	14. 92	1827	15. 74	1868	15, 59
702		1744		1786	14, 96	1828		1869	
703	15. 17	1745		1787	14.92	1829		1870	15, 57
704		1746		1788	14.65	1830	15, 82	1871	
705	15.11	1747		1789	14.75	1831	15.72	1872	15, 60
1706		1748		1790	15.04	1832	15.73	1873	
707		1749	14.80	1791	18. 03	1833	15. 93	1874	16, 17
708		1750		1792	15. 17	1834		1875	
1710		1761		1793		1835		1876	
1711		1752		1795	15.55	1836 1837	15.72	1877	17. 25
712				1796	15. 65	1838	15, 83	1879	18.4
1713		1754		1797	15. 41		15. 85 15. 62	1880	
1714		1756		1798	15. 59	1839	15. 62	1881	
715		1757		1799	15.74	1841	15. 70	1882	18. 1
716		1758		1800	15. 68	1842	15, 87	1883	
717		1750		1801	15.46	1843	15, 93	1884	18.5
718	15. 11	1700	14.14	1802	15. 26	1844	15. 85	1885	19.4
719	15. 09	1761		1803	15. 41	1845		1886	
1720		1762		1804	15.41	1846	15. 90	1887	21. 1
721		1763		1805	15.79	1847	15, 80	1888	
1722		1764		1806	15. 52	1848	15, 85	1889	
1723		1765	14.83	1807		1849	15. 78	1890	
724		1766		1808	16.08	1850		1801	
725		1767		1809		1851		1892	
1726		1768		1810		1852	15.59	1893	
1727		1709		1811		1853	15, 33	1894.	32.5
1728	15.11	1770		1812			1	1	

By that tabulated list it is apparent that only in two years up to 1873 did silver fall below the ratio of 16 to 1, and then only by a very small fraction, and that was in the years 1812 and 1813, when European wars disturbed all commercial transactions, and the difference between the London price, where free coinage did not exist, and the Paris price, where free coinage did exist, must have been at its maximum. From the time that the nations of the world began to take away the principal demand for silver, by demonetizing it, silver began to decline in value as compared to gold. The fault in the argument of the single gold standard people is that although they apply the principle of supply and demand to every commodity, they will not apply it to gold and silver. They are continually claiming that silver should not be restored to its lawful place as a money of ultimate redemption, until its commercial value equals that of gold, when they are at the same time denying to silver the very use which creates the demand that gives to it that value.

You can not take away the unlimited demand for a metal that free coinage gives and expect it to retain its equality with a metal to which you give the right of free coinage. Much less can you expect that silver thus deprived of that demand can ever equal in commercial value gold to which you give the right of free coinage. It is the equal treatment of the metals as to coinage that can ever restore their parity.

WHY 16 TO 17

Why should the coinage ratio between silver and gold be fixed at

16 to 1? Because that is the proportion, as near as can be ascertained, in which the metals are stored in the earth.

I wish to again refer to the table showing the total production of gold and silver from 1792 to 1894. The table shows that there was

produced in that period \$6,001,070,200 of gold and \$5,503,586,200 of silver (coinage value). That means that for the period of more than a century, ending with the year 1894, there was almost exactly sixteen times as many ounces of silver produced as of gold. There can be no doubt that if equal mintage rights and equal treatment of silver were restored to the world, the safe ratio would be the approximate ratio in which the metals are found in the earth.

INTERNATIONAL BIMETALLISM.

Every advocate of the free coinage of silver by this nation alone would like for bimetallism to be established through international agreement. But the difficulty of the situation is, that there is no hope for such an agreement. As long as it is to the interest of England and other creditor nations to have their foreign bonds and other securities appreciate in purchasing power, and to have the commodi-

ties they are compelled to buy from other countries depreciate in ties they are compelled to buy from other countries depreciate in price, so long can we never hope for an international agreement. It would be expecting that human nature in the wealthy, who surround, support, and control the thrones, would not be guided by self-interest. The nations have been holding international monetary conferences ever since 1878, and yet the proceedings of the last conference show more determination on the part of England and other creditor nations not to return to bimetallism than ever before. In that conference there were return to bimetallism than ever before. In that conference there was not even asked for a vote on the question whether it was the sense of the conference that there should be international bimetallism. How long, oh, how long will suffering humanity have to wait for relief from such nations? Silver was demonetized without international agreement and it will be restored without such an agreement.

Statement showing by comparison the transactions of the New York clearing house for twenty-six years, and for each year, the number of banks, aggregate capital, clearings, balances, average of the daily clearings and balances, and the percentage of balances to clearings.

Year.		Capital.*	Clearings.	Balances paid in money.	Average daily clearings.	Average daily balances paid in money.	Bal- ances to clear- ings.
1860	61 62 61 59 59 59 59 59 58 57 57 60 61 63 63 64 63 63 64 63 64 63	\$82, 720, 200 83, 620, 200 84, 420, 200 84, 420, 200 84, 420, 200 81, 635, 200 81, 635, 200 81, 731, 200 71, 085, 200 61, 162, 700 60, 467, 200 61, 162, 700 60, 462, 700 60, 612, 700 60, 622, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 762, 700 60, 772, 700 60, 812, 700 60, 422, 700 60, 422, 700 60, 922, 700 60, 922, 700 60, 922, 700 61, 622, 700 61, 622, 700 61, 622, 700 61, 622, 700 61, 622, 700 61, 622, 700	\$37, 407, 028, 987 27, 894, 519, 406 29, 300, 986, 682 33, 844, 369, 568 35, 461, 052, 820 22, 855, 927, 636 25, 061, 237, 292 21, 597, 274, 247 23, 289, 243, 701 24, 565, 818, 212 46, 552, 846, 101 40, 203, 165, 258 34, 092, 037, 338 402, 037, 338 374, 682, 216 34, 872, 848, 786 30, 843, 686, 699 34, 796, 465, 529 34, 636, 686, 573 34, 638, 688, 770 34, 638, 688, 773 34, 638, 688, 773	\$1, 120, 318, 308 1, 036, 484, 823 1, 209, 721, 029 1, 428, 582, 707 1, 474, 508, 025 1, 286, 753, 176 1, 408, 608, 777 1, 255, 422, 029 1, 373, 996, 302 1, 373, 996, 302 1, 376, 388, 31 1, 776, 018, 162 1, 595, 000, 245 1, 598, 938, 196 1, 524, 393, 994 1, 255, 355, 252 1, 519, 565, 385 1, 576, 637, 473 1, 753, 340, 145 1, 884, 635, 500 1, 861, 500, 575 1, 696, 207, 176 1, 896, 207, 176	\$121, 451, 393 90, 274, 479 95, 133, 074 109, 884, 317 115, 885, 794 74, 692, 574 81, 899, 470 70, 349, 428 76, 358, 176 73, 555, 988 82, 015, 540 121, 510, 224 159, 232, 191 151, 637, 935 132, 543, 307 111, 048, 982 82, 789, 480 109, 667, 589 114, 337, 209 101, 192, 415 114, 839, 820 123, 074, 139 111, 651, 471 118, 561, 782 113, 978, 082 79, 704, 426	\$3, 637, 397 3, 965, 210 3, 927, 666 4, 636, 633 4, 818, 654 4, 205, 076 4, 003, 297 4, 218, 378 4, 574, 906 4, 596, 023 4, 956, 090 5, 823, 010 5, 195, 440 4, 956, 095 5, 161, 129 4, 97, 202 4, 97, 202 5, 161, 129 5, 161, 129 5, 161, 129 5, 161, 195 5, 161, 195 5, 161, 195 5, 161, 195 5, 161, 195 5, 161, 316 5, 183, 192 5, 807, 288 5, 195, 526 6, 083, 335 5, 616, 580 5, 214, 611	Per cents 3 8. 8. 4. 4. 5. 5. 5. 5. 5. 5. 5. 5. 5. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6.

* The capital is for various dates, the amounts at a uniform date in each year not being obtainable.

CAN THE UNITED STATES MAINTAIN THE PARITY OF THE METALS?

Can the United States alone undertake the free and unlimited

coinage of silver and maintain that metal on a parity with gold at the ratio of 16 to 1? It is conceded by those who believe in international bimetallism that if the United States can make a greater demand upon silver than there is silver in the world available for coinage, that such demand would establish the parity of the metals, and that the parity would be maintained if the demand thereafter kept pace with the production.

The question.

The question, then, must be determined by the greatness of the demand which the United States can make for that metal.

Mr. Mulhall, an eminent English statistician, in an article in the North American Review last June states that the effective force of the United States is equal to that of Great Britain, France, and Ger-

many combined. Professor Francois, a French economist, has recently estimated that the United States contains one-fourth of the wealth of the entire world.

Such wealth and power backing the legal tender quality given to

Such wealth and power backing the legal tender quality given to eilver is bound, under free coinage, to create an almost unlimited demand for that metal. But let us analyze this demand.

It is estimated by the Secretary of the Treasury that there is in the United States \$636,256,023 of gold stock. The gentleman from Maine [Mr. DINGLEY] stated this afternoon that if free coinage was established and gold went to a premium of 1 per cent that all the gold would leave the country or go out of circulation. Let us assume, for the sake of the argument, that his statement is true. What would follow? would follow?

would follow?

There would be created by that withdrawal of gold an instantance one demand for silver to take its place. Where would the silver come from to supply that demand?

First. We know that outside of the United States Treasury there is no large quartity of silver available for coinage anywhere in the world. If as much as \$25,000,000 of silver bullion were stored any place the public would know it. So it is clear that hardly any part of the demand could be supplied from bullion in existence.

Second. We know that the silver to supply such a demand could not come from the arts, because the workmanship spent on silver articles makes those articles worth more than the coinage value of silver. Third. We know that the silver coins of Europe would not come to this country for coinage because they are in circulation in Europe on a gold valuation at a lower ratio than ours. The ratio

in Europe is 151 to 1, which makes an ounce of silver worth \$1.33 (coinage value); whereas the ratio in this country is 16 to 1, which makes an ounce of silver worth \$1.29 (coinage value). It cost the Europeans \$1.33 to get an ounce of silver coins, because they maintain the parity of silver coins as we do; then why would any holder of European silver coins, which costs him at the rate of \$1.33 an ounce, have them minted into American coins that are worth only \$1.29 an ounce? He would not. Therefore the European silver coins that are pean coins, which constitute the great mass of silver coins in the world, would not be sent to America for coinage.

Fourth. The only countries from which any silver coins might Fourth. The only countries from which any silver coins might come are from those that are upon a silver basis, namely, Mexico, India, Japan, China, and a few insignificant countries. The stock of silver in all these countries constitutes practically all their circulating medium. It amounts to only \$4.38 per capita in Mexico, \$2.01 in Japan, \$3.31 in India, and \$1.80 per capita in China. Can these countries spare any of their coins, especially in view of the great manufacturing development that they are now enjoying? If so, must it not be limited to only a few million dollars? Can anyone with reason maintain that as much as \$636,256,023 in silver coins would be shipped from those countries to our mints? It anyone with reason maintain that as much as \$656,256,256,023 in silver coins would be shipped from those countries to our mints? It must be borne in mind that if they bring their silver here for coinage they must use it here. It will not circulate in their country any more than a foreign coin will circulate here. In order to use it they will have to buy something with it, and if they purchase our goods or products it is so much to our advantage. All these facts goods or products it is so much to our advantage. All these lacts are serious obstacles in the way of anyone sending foreign silver to this country for coinage. I conclude, therefore, that it is hardly in the range of possibility that \$636,256,023 in silver would be shipped from foreign countries to our mints for coinage; that therefore there is not a sufficient available supply of silver in the world to meet the demand of the United States for that amount.

to meet the demand of the United States for that amount.

But that is not the only demand which the United States can make on silver. There are \$346,000,000 of United States notes called greenbacks, and there are \$137,000,000 of United States Treasury notes issued under the Sherman Act. The only reason they are kept in existence is on account of there not being sufficient primary money to take their place. The Secretary of the Treasury wants the Government to get out of what he terms the "banking business." The United States could, therefore, make a legitimate demand upon silver for \$100.000. Can there be any doubt now that the demand upon silver for \$636,256,023 and \$483,000,000 would be more than doubly

the possible shipments of silver from foreign countries to our mints. Remember that when there is a demand for silver at 16 to 1 which is unsatisfied that it is bound to establish the value of the metals at that ratio.

But these are not the only demands which the United States can make on silver. There are \$212,000,000 of national-bank notes in circulation. There is no excuse for the existence of any of this credit money, except that there is a deficiously in primary money. A legitimate demand upon silver for certificates to take the place of these notes can fairly be made. Thus we have a demand for \$1,331,256,023 of silver, which the United States can create without increasing the circulating medium of the nation one dollar. That demand represents an amount which is more than the mines of the world can produce, less the quantity that goes into the arts, in

With such an enormous demand on the limited silver bullion of the world, it could not help but establish and maintain the

parity between the metals.

But these are not all the demands that could be made upon silver In these are not all the domands that could be made upon silver in this country. There are over \$20,000,000 indebtedness in this nation, more than one-half of which are obligations payable in lawful money of the United States. The minute that silver would get to a discount of even 1 per cent that minute there would be created a demand by those debtors for that money with which to discharge their obligations, and that very demand would increase the value their obligations, and that very demand would increase the value of silver until it reached a parity with gold. It has been asserted upon the floor of this House that there are credit transactions in the shape of short-time notes, thirty-day credits, and checks that amount each year in this country to \$150,000,000,000. All of those transactions are in lawful money and they constitute an exceedingly large demand for the money that circulates.

With all these demands that can be made upon silver for coin or certificates, first, by the greatest and most powerful Government on earth, second, by the people in the payment of the greatest number of obligations of any nation, and third, by the greatest commerce that the history of the world has ever known, it seems that the parity between the metals could be established with as much certainty as it is possible to foretell any future event.

parity between the metals could be established with as much certainty as it is possible to foretell any future event.

It must be remembered that the commercial value of the two metals would become approximately equal if half the nations in commercial importance had the gold standard and half the silver standard. It can therefore be readily understood what great influence in establishing the commercial equality of the metals a powerful nation would have in withdrawing its demand on gold and making its demand on silver.

When the parity is once established a biretailly the set of the silver and the powerful of the commercial equality of the metals as powerful nation would have in withdrawing its demand on gold and making its demand on silver.

When the parity is once established a bimetallic tie acts as an automatic regulator. When one of the metals becomes more valuable the demand is shifted from it onto the cheaper metal and that demand restores the parity.

We have had an experience that ought to teach as the power of this Government in financial matters. The Senate of the United States in 1890 passed a free-coinage bill. It was thought that the House of Representatives was a free-coinage body. Silver rose, in anticipation of that legislation, until it reached \$1.21\frac{1}{2}\$ an ounce (within eight points of par), not only in the United States, but in the London markets and throughout the entire world. If silver rose to such a height in anticipation of such legislation, notwithstanding the hazards of final enactment and Executive approval, can there be any doubt that it would have risen to \$1.29 per ounce under the legitimate demand that the actual operation of the law would create?

The free coinage of silver in this country, when once established, would be bound to succeed, because it would then be to the interest of the capitalist to make it succeed. It would then become his interest to make the silver money just as dear as he now desires the gold money to be. It is the history of all depreciated currencies that no class has been so active in bringing them to par as the creditor class. We therefore conclude that the demand which the United States can make upon silver is almost unlimited, and that by the exercise of that demand silver can be restored as an equal by the exercise of that demand silver can be restored as an equal primary money to gold.

The question of the tree coinage of silver is, in my judgment, the most momentous question of the present age. The terrible effects of the increasing gold measure has fallen with crushing force upon of the increasing gold measure has fallen with crushing force upon all the people of our nation except the creditor class. Business, in the past twenty years, has been compelled to operate on falling markets, which in the long run means ruin and disaster. It is no wonder that Mr. John G. Carlisle, in the House of Representatives, in 1878, said in relation to the destruction by legislation of silver money that "The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilence, and famine that ever occurred in the history of the world." The remonetization of silver will do more than any other legislation that has ever been suggested to alleviate the sufferings of mankind, to give employment to the laborer, to permit business to be operated give employment to the laborer, to permit business to be operated upon stable markets, to allow the tiller of the soil to get some little return for his work, and to produce an era of prosperity unequaled in the history of the world.

Coin Redemption Fund.

SPEECH

OF

HON. JAMES C. McDEARMON,

OF TENNESSEE.

Saturday, February 8, 1896.

IN THE HOUSE OF REPRESENTATIVES.

The House having under consideration the bill (H. R. 2004) to maintain and rotect the coin redemption fund, and to authorize the issue of certificates of debtedness to meet temporary deficiencies of revenue—

Mr. McDEARMON said:

Mr. SPEAKER: We are confronted with a very important, grave, and serious duty. An emergency exists which has attracted the attention of every patriotic citizen of the United States, and when this Congress assembled with its overwhelming Republican majority, charged with the conduct of affairs of this great Governjority, charged with the conduct of affairs of this great Government, it was efficially notified, and in tones almost approaching the pathetic, it was appealed to by the President of the United States and his Secretary of the Treasury to relieve the Treasury from the peculiar and perilous position to which it had been brought. It was well known to every citizen of this country that Mr. Carlisle, in the attempt to execute laws which the Republican party had placed upon the statute books, and in the attempt faithfully to follow in the footsteps of his Republican predecessors, had brought the Treasury of the United States to a grotesque and ridiculous condition; that it was practically held up and looted by a few European and American bankers, and that this huntilating spectacle called the "endless-chain process" was continuing; that it had depleted the Treasury of the United States time and time again, and that the startling condition existed of the necessity of issuing United States bonds in a time of profound peace. issuing United States bonds in a time of profound peace.

The attention of this Congress was called to the fact that more than a quarter of a billion dollars of thirty-year 4 and 5 per cent bonds had been and would in the near future be issued. The Secretary of the Treasury called attention to the fact that in the redemption of greenbacks and Treasury notes he had followed the policy of Mr. Sherman and others of his predecessors, and had surrendered to the holders of those notes the option which the law had placed in his hands, of redeeming them either in gold or silver, and was paying them in gold alone, and that these dishonest and unpatriotic bankers and speculators had taken advantage of that policy and had exhausted the gold reserve again and again; that \$162,000,000 of bonds had already been issued, and that another \$100,000,000 was ready to be issued, and that this process was still

going on.

The President of the United States placed upon the Republican majority of this House the responsibility of relieving the Treasury of that condition. This boastful party, which had been charging and pretending to believe that the Democratic party did not postsess enough patriotism, intelligence, or statesmanship to conduct the affairs of this Government upon its return to power and re-sponsibility in this House, is met face to face by this plain and imperative duty.

imperative duty.

By some incomprehensible providence the people of the United States trusted the Republican party and placed in their hands again the power to run the affairs of this Government, so far as this House is concerned. Now, this distressing and alarming condition of affairs stares the Republican majority squarely in the face. The Secretary of the Treasury asks Congress to change existing laws, which he contends make it imperative upon him to pursue the course which has resulted so disastrously.

That responsibility and that duty can be performed. There are two ways by which the issuance of bonds can be stopped. The Secretary of the Treasury points out one, and that is to authorize him to retire the greenbacks and Treasury notes; that is when they are once paid to cancel and destroy them. He points out the fact

are once paid to cancel and destroy them. He points out the fact that \$407,000,000 have already been redeemed, but that they have under the law been reissued, and that the volume of notes has not been diminished, but that every solitary dollar of the \$500,000,000 is outstanding to menace and threaten and jeopardize the affairs

of this Government.

Now, Mr. Speaker, the Republican party can take the advice of Mr. Carlisle and can pass a bill repealing the act of 1878, which requires these notes to be reissued when paid. They can by law provide for their cancellation and redemption when they reach the vaults of the Treasury.

I do not, of course, mean to intimate that I think this the proper

remedy, or that I would vote for such a bill, but I desire to call attention to the proposition urged by the President and the Secretary of the Treasury.

And if they possessed a fraction of the wisdom and statesmanship of which they boast, they could devise a plan for the issuance of some safe and good currency to take the place of these retired notes, so as not to contract the volume of currency; but they saw proper not to adopt the recommendation of the Secretary of the Treasury. There is another way to stop the issuance of bonds, and that is by statute to take away from the Secretary of the Treasury the power to surrender the critical of realizations. bonds, and that is by statute to take away from the Secretary of the Treasury the power to surrender the option of redeeming these notes in gold or silver, and to compel him to redeem them in silver as well as in gold, which in my humble opinion is the true rem-edy. Now, when this Congress met I confess that I came here impressed with the idea that perhaps there was some truth in the

statement that there were patriotism, statesmanship, and courage among the leaders of the Republican party.

I expected that perhaps they would rise above partisanship and would address themselves to this plain and simple duty of relieving the Treasury of the United States, and that we would relieving the Treasury of the United States, and that we would hear no more of issuing bonds in time of peace. And if you will excuse me for referring to it, impressed with that idea, I had the honor, on the 10th day of December, soon after this Congress met, to introduce a bill which, in my judgment, would relieve the Treasury of the United States and would not contract the currency one single cent. That bill simply provides that the tons of silver, piled up like pig iron in the vaults of the Treasury, purchased under the Sherman Act, which cost the Government \$155,000,000, for which Treasury notes were issued, and in the purchase

000,000, for which Treasury notes were issued, and in the purchase of which we made a profit of between \$40,000,000 and \$50,000,000, shall be coined into silver dollars; and that silver certificates shall be issued upon the coined silver, and upon the silver bullion to the extent of the Treasury notes issued in payment for the silver bullion, and of the seigniorage or profit realized by the Government in the purchases under the Sherman Act; and that Treasury notes and United States notes in an amount equal to the coinage value of all the silver bullion on hand, including the seigniorage, shall be canceled and retired from circulation, thus reducing the volume of the notes outstanding, which are presented for redemption and under the pernicious policy of the Administration paid out of the gold reserve, from about \$500,000,000 to about \$500,000,000; and the currency will not be contracted at all, for the silver now lying idle in the Treasury would be converted into coin and coin certificates and would take the place of the

canceled notes I introduced this bill, not as an expression of what I preferred, nor what I would suggest as the proper remedy, but simply as an improvement upon present conditions, and a measure which I thought might possibly be passed by this Congress, so overwhelmingly Republican in its politics.

The gentleman from Maine [Mr. DINGLEY] the other day ridically invariant and a side of the control o

culed the idea of issuing silver certificates upon bullion, and said such certificates would express a lie, as silver certificates in form certify that "there have been deposited in the Treasury of the United States" so many silver dollars.

Mr. Speaker, gold certificates are now issued upon gold bullion; and if a gold certificate can be issued on gold bullion in the Treasand if a gold certificate can be issued on gold bullon in the freasury, I do not see any reason why a silver certificate should not be issued on silver bullion. But I say that that bill, or some bill like it, authorizing and requiring the Secretary to coin the silver bullion, and to issue silver certificates against the seigniorage, at least, as provided for in this bill which the Senate adopted as a substitute and sent back here, would convert in a few hours the seigniorage of \$40,000,000 or \$50,000,000, a sum which our Republican friends insist the Treasury needs, into available assets. The Refriends insist the Treasury needs, into available assets. The Republicans of this House say that the Secretary of the Treasury publicans of this House say that the Secretary of the Treasury needs more greenbacks, Treasury notes, and silver certificates; and therefore they proceed to levy a tax upon the American people—upon their wearing apparel and other necessities of life—to the amount of \$40,000,000 or \$50,000,000, when the Secretary of the Treasury thrusts in their faces the fact that he does not need the money, and that he has now a surplus of over \$120,000,000 in the Treasury, outside of the gold in the Treasury reserved for redemption of United States and Treasury notes. But suppose they are right. Suppose the Treasury does need the money. Then, I say. right. Suppose the Treasury does need the money. Then, I say, you have an asset of \$40,000,000 or \$50,000,000 lying in the Treasury, not represented by anything, in the way of seigniorage, which can be converted into an asset as quickly as the certificates

which can be converted into an asset as quickly as the certificates can be issued.

But, Mr. Speaker, the Republican majority have not addressed themselves to the solution of this perilous problem. They have ignominiously retreated from the duty that lay in their path, and I believe that the American people will not hold them guiltless for this cowardice in shrinking from the performance of a duty. But this discussion will do good. It came like a firebell at midnight. This substitute providing for the coinage of silver came from the Senate when this House by parliamentary skill had steered, as they thought, between Scylla and Charybdis and thought there would be no silver discussion in this House, that we would not hear any-

thing of free coinage of silver at 16 to 1 during this session of

The Senate, in my judgment, has voiced a sentiment that is in the hearts of more than 60,000,000 of Americans in this country. They have stricken out the proposition to authorize the Secretary of the Treasury to go on with the issuance of bonds ad infinitum,

of the Treasury to go on with the issuance or bonds ad infinitial, and as a substitute propose that our mints be opened to the coinage of silver and gold.

The bill passed by this House was no response to the appeal made to it by the President and Secretary of the Treasury. They beseech Congress to "relieve the Treasury and remove the cause of its distress by legislation which will stop the redemption of United States notes and Treasury notes in gold and will proposent United States notes and Treasury notes in gold and will prevent the issuance of bonds.

The Republican majority by its action refuses to consider the grave problem, and in substance indorses and ratifies the policy of the Administration in paying out gold in redemption of green-backs and Treasury notes and the issuance of bonds to keep up the gold reserve, contenting themselves with the reduction of the rate of interest which the bonds shall draw. And this is a fraud and a false pretense. There is no difference between a 4 per cent

bond sold on a 3 per cent basis and a straight 3 per cent bond.

Mr. SPALDING. But the bonds did not bring 3 per cent.

Mr. SPALDING. But the bonds did not bring 3 per cent.
Mr. McDEARMON. They brought somewhere about that,
Mr. SPALDING. They brought 3½ per cent.
Mr. McDEARMON. But this bill authorizes the issuance of
3 per cent bonds. Now, I say: What is the difference between
issuing even a 6 per cent bond and selling it on a 3 per cent basis
and issuing a straight 3 per cent bond? There is none. I say that the Republican party dodges the responsibility and refuses to consider this great problem. They deliberately ratify and confirm the policy pursued by Mr. Carlisle of borrowing gold to keep up the reserve fund, and of paying out gold in redemption of greenbacks and Treasury notes. By the two bills which were hurried through the House posthaste, without discussion and without due consideration, our Republican friends have voted for "high taxes and more bonds."

Mr. Speaker, the American people will not approve of Mr. Carlisle's policy of issuing bonds. I believe they think that he ought to go back and resume the power that the law armed him

ought to go back and resume the power that the law armed him with and pay these notes in silver as well as in gold.

The newspapers say that when Daniel Manning was Secretary of the Treasury a raid was threatened upon the gold reserve by presenting greenbacks and demanding their redemption in gold, for the manifest purpose of harassing the Treasury, and of compelling the Government to issue bonds for the purchase of gold, as is now being done; and that Mr. Manning called a meeting of bankers in New York and notified them that he would not submit to their villainous game, but would, if they attempted it, exercise the disin New York and notified them that he would not submit to their villainous game, but would, if they attempted it, exercise the discretion given him by law and would pay the greenbacks in silver or gold as it suited the convenience of the Treasury. And I believe, Mr. Speaker, that any Secretary of the Treasury whose heart beats in unison with the interests of the great mass of the common people of this country would pursue the same policy, and would not be "held up" by these men who are raiding the Treasury like freeheads and would not be conveiled by these men who are raiding the Treasury like freeheads and would not be exercised. ury like freebooters, and would not be compelled by them to put additional burdens upon the American people, already so heavily

Mr. HILL. You do not honestly believe, do you, that the Republican party will be held responsible for the actions of a Democratic Administration?

Mr. McDEARMON. I believe that you will be held responsible, gentlemen, for your actions in this House, and for this bill, by which you propose to indorse the policy of the Secretary of the Treasury in issuing bonds. He tells you that he has been issuing bonds, that the portentous amount of \$162,000,000 has been already issued, making, with the other hundred millions about to be issued, more than a quarter of a billion of dollars, which, with the interest to be paid, will amount to more than one-quarter of the cost of the great war between the States. The gentleman from Missouri Mr. Hall stated here on Saturday gentleman from Missouri [Mr. HALL] stated here on Saturday, on the authority of a prominent official of the Treasury Department, that in all probability the bond issues would reach one thousand million dollars. And why not? Why will not the same causes and the same influences which have emptied the Treasury during the past few months empty it again? What is to stop it, and where is the process to end? I charge upon the Republicans that they have in a smirt of covervices ignoralized the form that they have, in a spirit of cowardice, ignominiously fled from

the consideration and performance of a plain and solemn duty.

Mr. FOWLER. Has the gentleman from Tennessee ever been connected with any financial institution in any way?

Mr. McDEARMON. I never have.

Mr. FOWLER. If you were trying to find out what you were worth you would try to ascertain what you could get for your property, would you not?

Mr. McDEARMON. I think I would.

Mr. FOWLER. Then, if the United States wanted to find out what that silver was worth, on which you say they made a profit of forty millions, they would better go into the market and find out, and they would then discover that they had lost \$75,000,000,

what that street was worth, on which you say they made a profit of forty millions, they would better go into the market and find out, and they would then discover that they had lost \$75,000,000, would they not?

Mr. McDEARMON. Well, sir, I will agree to take all the silver dollars that the mint will coin out of that bullion at 99.9 cents on the dollar. I say that every dollar that they might coin out of that bullion would pass current, side by side with the present silver dollar and with the gold dollar, and would serve to pay debts, both public and private, and would be a blessing and a benediction to the distressed people of this country. But I did not intend to devote so much of my time to such a small matter as the Republican majority in this House. [Laughter.]

I believe that the Senate did right, and, if we are correctly informed as to their action, I will add that I think they have done right with that other measure, that twin measure, the misbegotten companion bill to this one, the proposition to heap additional tariff burdens on the shoulders of the overtaxed people of this country. That bill was passed in face of the fact that there now rests in the Treasury vaults a surplus of \$120,000,000 in green-backs, Treasury notes, and silver certificates, \$120,000,000 over and above the gold held for redemption purposes. The Secretary of the Treasury says—and he speaks upon the authority of experts in the Department, many of whom were appointed by Republican Administrations and have become so expert and efficient by long service that they are, in a sense, indispensable to the conduct of the public business—the Secretary of the Treasury, speaking on the authority of those experts, says that the Wilson-Gorman tariff bill is a success; that in 1897 there will be, according to the estimates of the best authorities, a surplus of nearly \$7,000,000, and that therefore this additional revenue is not needed.

The reports of the Secretary of the Treasury show that for the fiscal year ended June 30, 1893, the receipts we

Net increase in receipts over 1894	\$17, 570, 705. 01 11, 329, 981. 54
Fiscal year ending June 30, 1896: Estimated receipts. Estimated expenditures	431, 907, 407. 00 448, 907, 407. 00
Deficit	17,000,000.00
Fiscal year ending June 30, 1897: Estimated receipts. Estimated expenditures.	464, 793, 120. 75 457, 884, 193. 92

Estimated surplus The Secretary in his report for 1895, pages 53 and 54, says:

The cash balance in the Treasury on the 1st day of December, 1895, was \$177,406,386.62, being \$88,072,420.30 in excess of the actual gold reserve on that day and \$77,406,386.62 in excess of any sum that it would be necessary to use in replenishing that fund in case the Secretary should at any time be able to exchange currency for gold. There is, therefore, no reason to doubt the ability of the Government to discharge all its current obligations during the present fiscal year and have a cash balance at its close without imposing additional taxation in any form upon the people.

The Secretary of the Treasury says and reiterates to this Con-The Secretary of the Treasury says and reiterates to this Congress that he does not need any more money. He says in plain terms that no additional taxes upon the American people are necessary or justifiable under the circumstances. Therefore I believe the Senate has done right in taking a pen and striking out every word and every letter of both these bills. It seems, perhaps, a little ridiculous for them to continue to pass free-coinage bills, but I suppose they are actuated by the same spirit that inspired the old Roman Senator, the elder Cato, whose great soul was impressed with the idea that Rome could not exist as long as Carthage prospered, and who closed every public address that he made with the significant words "Delenda est Carthago." And, Mr. Speaker, if the Senate would rise to the importance and the dignity of this great question, and would strike out even every appropriation bill the senate would rise to the importance and the dignity of this great question, and would strike out even every appropriation bill that this House sends to it, and would put in its place a free-coinage-of-silver bill, I think their action would be approved by a large majority of the American people. This brings me to the discussion of the substitute adopted by the Senate.

The problem which we are considering can not be figured out by mathematical rules, nor can it be solved by illustrations on blackboards or charts. The man who delves and gropes in the labyrinths of any exact science, seeking a definite and mathematical

labyrinths of any exact science, seeking a definite and mathematical demonstration of this stupendous question, will, if he is honest with himself in such research, be sadly disappointed.

Politics is not an exact science, but is, if I may be pardoned for the expression, the science of practical common sense, and rises above any science which has been or can be reduced to precise and arbitrary rules and inexorable laws. In considering and investigating great questions of state and political economy, we must lift our minds above the minute details of pure theory and philosophical exactness, which are necessary in investigating any sin-

gle branch of human knowledge.

In great questions like these we must go "from headland to headland," and not stop to explore and survey the valleys and

hillocks—the nooks and corners that intervene.

Life is too short. If, as the poet has so graphically said—

Could a man be secure
That his days would endure
For a thousand long years as of old;
What deeds could he do,
What things could he know,
And that without worry or care.

But, Mr. Speaker, our life is but a span, and whatever we do, we must do quickly. This subject has been, perhaps, more universally studied and discussed than any which has engaged the thoughts of mankind for the last twenty-two years. About the year 1873 something happened which violently disturbed the financial and commercial affairs of the human race.

A rude and sudden shock was felt which jarred the financial world from center to circumference and sent a paralyzing tremor throughout the civilized world, and extended ultimately to the remotest habitations of man. Disturbances and interruptions of commercial activities are not uncommon. The pages of history are replete with accounts of such phenomena that have occurred before, and we are familiar with those which have taken place before, and we are familiar with those which have taken place since that of 1878. They were natural results of apparent and well-understood causes; such as war, famine, pestilence, over-

culation, and the like.

Intelligent observers and thinkers could easily point out the causes and suggest the manifest remedies for all the financial evils, panics, and disturbances that ever convulsed the financial or commercial world prior to or since that of 1873. All previous troubles were of short duration, and the world soon recovered from their effects and gained wisdom from the sad experience which they afforded. But, Mr. Speaker, the phenomenal evil which befell afforded. But, Mr. Speaker, the phenomenal evil which bereif
the world in 1873 has no counterpart in history or tradition. It
came at a time when the world was at peace. It fell upon the
masses of mankind like a poisonous vapor. Its deadly effects were
felt ere its hateful presence was realized. No avant-coureur
heralded its approach. It came like the thief in the night.

I do not deny, Mr. Speaker, that there was discussion of the
subject long before the complete demonetization of silver was
effected both in Evrope and America. It is also two that the

I do not deny, Mr. Speaker, that there was discussion of the subject long before the complete demonetization of silver was effected, both in Europe and America. It is also true that the great transaction was accomplished by degrees. Step by step was taken through a series of years. The international conference of 1867, held in Paris, on the occasion of the Universal Exposition, recommended the establishment of the gold standard, and successive steps toward that end were taken. One propafter another which supported the double standard and unity of gold and silver as money metals were removed. But the superstructure did not tremble or totter until the great support of the United States of America was taken away. Up to the very day that the act of 1873 went into effect the coinage and commercial value of silver remained at an exact parity with gold. But in less than ten days thereafter, for the first time in all the world's history, gold and silver parted company.

By an act of Congress in 1873 silver was dethroned as a joint standard and a joint measure of values and was placed upon the auction block. It was for the first time made a commodity; an object of barter and sale. Before that it was a measure; in other words, silver was money, in a sense, whether coined or uncoined. The image and superscriptions upon coins are mere certificates

The image and superscriptions upon coins are mere certificates that so much coin has been tested as to its purity and weighed by

authority of a government.

By law the main ingredient or constituent element of value which silver possessed was destroyed. The principal use to which the metal had been devoted was by law taken away. Men could no longer have money made out of their silver. It was no longer a money metal, but was degraded to a level with copper and nickel, out of which a kind of money is made, but which are in no sense

out of which a kind of money is made, but which are in no sense money metals.

When silver was divorced from its ancient partner, gold; when the link connecting gold and silver, which was forged by authority of God Himself, was wickedly severed, and silver became a base metal, a common commodity, it no longer fixed or measured values or prices, but became obedient to the laws of supply and demand, and took its place in the market subject to the vicissitudes of trade and traffic, as other articles of merchandise. Contemporaneous with the demonetization of silver as a money metal, which was in effect reducing the standard by which all possessions were estimated and valued about one-half, the change which

I have endeavored to describe was felt in financial and commercial circles all over the civilized world.

The general level of prices of all things bought and sold began to fall; and, with other commodities, for the first time in all the world's history, silver was discovered in the price list and on the world's instory, silver was inscovered in the price hat and of the shambles of the market; values continued to sink as months and years rolled by. The cause of the ruinous and alarming state of things was not discovered for a long time. Wiseacres assigned first one and then another theory of the trouble.

The Congress of the United States, in obedience to a powerful public sentiment, in 1876 appointed a commission consisting of

able and experienced statesmen to investigate the origin of the universal and continuous fall in prices.

We have the report of that "silver commission" of 1876, which report is in substance that the cause of the general fall in prices was the demonetization of silver, and the only remedy was its remonetization.

Years rolled on, and the strange and unparalleled shrinkage in

rears rolled on, and the strange and unparalleled shrinkage in all values, including silver, continued.

In 1886 the Government of Great Britain, impelled by a public sentiment it dared not ignore or disregard, appointed the "royal commission" to inquire into the causes of the world-wide evil, reciting in the preamble to the commission, "Whereas it has been represented unto us that it is expedient that a commission should forthwith issue to inquire into the recent changes in the all the forthwith issue to inquire into the recent changes in the relative values of the precious metals shown by the decrease in the gold price of silver." The membership of that celebrated commission, twelve in all, embraces some of the most distinguished statesmen, scholars, and thinkers of Great Britain, the present first lord of the treasury of England, Hon. Arthur J. Balfour, being one of them. The final report of the commission, signed by all, recognizes the continued and phenomenal depreciation in all values the world over, and fixes the date of the beginning of the troubles in 1873. Six members of the commission, including Mr. Balfour, join in a report in which they suggest as the only remedy "free coinage of both metals into legal-tender money, and the fixing of a ratio at which coins of either metal shall be available for the payment of all debts at the option of the debtor."

Mr. Speaker, the dark pall of sinking prices enshrouds the world

Mr. Speaker, the dark pall of sinking prices enshrouds the world yet, and will continue until the true remedy is applied.

In the conventions of the two great political parties of 1892 platforms were adopted plainly declaring in favor of a return to bimetallism as the permanent policy of this Government. I will not burden the RECORD or detain the House by quoting them.

However, I hazard nothing in saying that they pledged the Democratic and Republican parties to the policy of bimetallism, including, of course, the parity of both metals, which is declared pessible by international agreement or "safeguards of legislation." The great contest for the restoration of silver which began in 1873 still continues. But, Mr. Speaker, a new phase of the contion." The great contest for the restoration of silver which began in 1873 still continues. But, Mr. Speaker, a new phase of the contest confronts us. As far as I know or can recall, no prominent man in this country ever openly advocated the single gold standard as the permanent policy of America before the beginning of the year 1895. Three very significant events transpired early last year:

First. The English Parliament adopted a resolution declaring in general terms in favor of the return to bimetallism by Great

Second. The German Reichstag adopted a similar resolution soon

Third. Within a very few days after the latter event Mr. Carlisle, Secretary of the Treasury, left his office in Washington, ascended the hustings and openly and vigorously denounced and ridiculed bimetallism, and in substance advocated the single standard, thus greatly discouraging the powerful advocates of international bimetallism in England and Germany and placing the United States in an unfriendly and positively antagonistic attitude toward

the cause of international bimetallism.

The issue is shifting from one as to the best method of securing bimetallism to the square issue between gold monometallism and bimetallism. The present Administration has disrobed itself of all disguises and masks and clearly and boldly assumes the aggressive upon the proposition that the gold standard must be maintained, and that all efforts to return to bimetallism by international agree-

and that all efforts to return to bimetallism by international agreement, safeguards of legislation, or otherwise must be opposed.

Mr. Speaker, I salute the Administration and congratulate it upon its candor and courageous boldness. I despise shams and false pretenses. I admire the man who has the nerve to say what he means. And I admire the opponent of this substitute who puts his opposition to it upon the high plane occupied by Mr. Cleveland and his able Secretary of the Treasury far more than I do the cowards who ridicule the efforts of the great majority of Americans to restore bimetallism, but pretend to be bimetallists and imagine that they deceive people by advocating international bimetallism while they applaud the policy of the Administration.

Mr. Speaker, I am in favor of the Senate substitute, which provides for free and unlimited coinage of gold and silver, "without

vides for free and unlimited coinage of gold and silver, "without discrimination against either metal or charge for mintage."

I believe thut, under the blessings of God, nothing is impossible with the United States of America. She has achieved greater things than the restoration of silver as a money metal, and can achieve that. I believe that a great majority of the people are in favor of bimetallism, and desire that this Government shall take the lead in this, as it has in almost every great movement which has resulted in the amelioration of the condition of the human

Mr. Speaker, we can not afford to give up the cause of bimetal-lism. The gold standard is not suited to this age of the world. The stock of gold in the world is not enough with which to do the world's business. The stock of gold coin and bullion of the earth, as estimated by the Director of the Mint in his report for 1895, is \$4,086,800,000. The production of gold in the world in 1894 was \$180,626,100. It is estimated by high authorities that not less than one-third of the product of each year is consumed in the industrial

I maintain, Mr. Speaker, that the annual net increase of the stock of gold coin in the world does not equal the annual net loss by abrasion, fire, and flood, and other accidental losses, and that the world's stock of gold coin is actually diminishing. But whether I am correct or not in that assumption, I do not hesitate to confidently assert that the net increase of the stock of gold coin is far less than the net increase in numbers of the human family and infinitely less than the annual increase and multiplication of commercial activities and needs for money. Hence it follows that with the single gold standard to measure prices of all other things, we will have a constantly shrinking standard; in other words, steadily declining prices.

The volume of actual money, which, according to all authorities, without exception, measures and regulates prices of all commodities, should be increased and added to in the same ratio that human activities or, in other words, demands or necessities for money are multiplied. Our race is yet in its youth; the human family is increasing in numbers more rapidly than ever before since the creation of the earth. The human mind is developing and expanding most marvelously, as illustrated in the wonderful inventions which almost daily astonish the world. As beautifully said by

the poet:

We are living, we are moving, in a grand and awful time, In an age on ages telling, to be living is sublime.

As we move higher and higher to new elevations and conceptions of life and civilization our necessities are varied and multiplied. A person who lives and moves in a community of average intelligence and culture of the present day in this country consumes and is compelled to have probably ten times more of the products of labor and the handiwork of toil than he would have needed fifty years ago. The number of commercial and financial transactions among civilized people, and in consequence the needs for money now, are many hundredfold more than they were even forty years ago, a time within the memory of many of us. The people of this country are the foremost in point of progress, development, and commercial activity of all the nations of earth.

An average live, progressive American consumes more clothing,

food, fuel, and other necessaries, and enjoys more of the conven-iences and luxuries of life, and needs more money, than perhaps twenty of his salmon-colored brethren of the Orient in the same

relative station in society.

Mr. Speaker, we need more money; I mean real money, not paper representatives of money, mere promises to pay money, but more absolute money than can be had under the single gold standard. The remonetization of silver will meet this want and supply this demand. But our friends who oppose the coinage of silver say that the parity between the metals can not be maintained and pre-served under free coinage by the United States alone, and that such a course will result in driving gold out of circulation and in establishing the single silver standard and putting this country upon a silver basis. Now, Mr. Speaker, this is mere prophecy and conjecture, a bare assertion, without authority or reason to support it.

I insist that if all the uses and functions which belong to gold were restored to or bestowed by law upon silver it would have the same value as gold at the established ratio, and that the parity of same value as gold at the established ratio, and that the parity of value would immediately be restored. If a law should be enacted by this Congress and signed by the President providing for the unlimited coinage of silver and gold at the ratio of 16 to 1 silver bullion would certainly instantly and constantly enhance and appreciate in market value. No holder of an ounce of silver would take less than \$1.2929 for it, because under the law he could have it converted into that much legal-tender money at the mints of the United States. It seems to me that this is a self-evident properition. And we have within the memory of us all I think a osition. And we have, within the memory of us all, I think, a recent occurrence which demonstrates the truth of the proposition. It is this: The average value of silver bullion in the year 1890, as shown by the last report of the Director of the Mint, was 80.9 per ounce in New York. The highest price in London during that year was 54\(\frac{1}{2}\)d. and the lowest was 43\(\frac{1}{2}\)d.

The Congress of the United States undertook to legislate in be-The Congress of the United States undertook to legislate in behalf of silver. The Sherman Act requiring the purchase of four and one-half million ounces of silver bullion each month was passed. This was an untried experiment, but it was supposed to be legislation in the interest of silver. It had the sanction and support of the great financiers of this country. And pending the trial of the experiment silver began to rapidly advance in market price the world over. It jumped from 80 cents per ounce to \$1.21 per ounce in New York, but when the scheme began to be fully understood and its fallacy was demonstrated, of course silver dectined. The demand was limited and was not equal to the supply. Holders of silver bullion underbid each other, and bullion as a commodity declined. commodity declined.

Does any gentleman deny the proposition that if, instead of the law requiring the purchase of silver bullion in 1890, a law providing for the conversion of every ounce of silver that might have been taken to our mints into \$1.2929 of United States legal-tender money had been passed, silver bullion would have advanced to that

That experiment was tried by the United States "single handed and alone," without the concurrence of any other nation, yet it caused silver to go up in the markets of the world over 40 cents per ounce while it was being tried.

Some of our delightful "gold-bug cranks" in one breath argue that bimetallism can be established by the concurrence of the leading great commercial nations of Europe and America, and then in another they ridicule bimetallism and say it was never a success and that the parity of the two metals was never maintained; and as proof of their assertions point to the apparent but not rail discrepancy between the coinage and compared values of silver. discrepancy between the coinage and commercial values of silver and gold prior to 1873. By reference to the Report for 1895 of the and gold prior to 1873. By reference to the Report for 1895 of the Director of the Mint. on page 239, will be found a table showing the "commercial ratio" of silver and gold each year since 1687, which shows that for nearly two hundred years before 1873 there was practically no "commercial price" of either gold or silver; they were both metals out of which money could be made at the different ratios prevailing in different countries from time to time. and they constituted a joint or double standard or measure of all

For instance, the "commercial ratio," so called, is fixed in the table referred to in 1687 at 14.94, in the year 1787 at 14.92, in 1873 at 15.93. There is no greater difference in the "commercial ratio," so called, during these two hundred years before 1878 than about 1 cent in the ounce. I assert that no greater difference can be found in the statistics for any period of the world's history before 1878 neither gold nor silver had any commercial price outside of the world's history before 1878 neither gold nor silver had any commercial price outside of the amount of money into which each metal was convertible. The mind can not conceive of the idea of buying a dollar. It is absurd, and as said by Mr. Carlisle at Memphis, speaking of the double standard, "It is a physical and metaphysical absurdity." Silver and gold were both money; that is, the substances of which money was made, at arbitrary ratios established by law.

The apparent rises and falls of the "commercial ratios" simply

The apparent rises and falls of the "commercial ratios" simply resulted from a diversity of coinage ratios. Holders of gold or silver bullion would naturally send it to the mints which would coin it upon the most favorable terms. For instance, before 1873 the United States mints had only coined about 8,000,000 silver dollars. The reason is manifest. Silver-bullion holders could have their metal coined in Europe at the ratio of 15½ to 1 and thus save one-half ounce in every 16 by exporting the bullion to Europe more than they would get by having it coined in the United States mints. Our silver bullion was exported and exchanged for gold bullion, and it was brought to our mints and coined into Amerbullion, and it was brought to our mints and coined into American money. As an absolute demonstration of this statement I call attention to the Report of the Director of the Mint for 1895, call attention to the Report of the Director of the Mint for 1895, page 268, which shows that from the organization of the United States mints in 1792 to the fiscal year ended June 30, 1895, there had been coined \$1,755,813,763 of gold and \$685,023,701.90 of silver. During the same time the total product of the United States mines was: Gold bullion, \$1,587,410,923, and silver bullion, \$773,699,708.81, showing that we have coined at our mints about \$200,000,000 more gold than the total products of our mines, about one-third of which was consumed in the industrial arts, indicating that over \$700,000,000,000 foreign gold was sent to our mints for third of which was consumed in the industrial arts, indicating that over \$700,000,000 of foreign gold was sent to our mints for coinage, simply because we coined it upon more favorable terms; in other words, charged less toll for coining gold than the mints of Europe. To state it differently, gold bullion came to our mints to be coined and silver bullion went to the European mints. The important fact remained that silver was money; that is, could be converted into money at the ratio fixed by law. The holder of silver spoons or plate could convert them into money.

Every ounce of silver bullion which Mother Earth yielded in this country, less that used in the arts was convertible into money.

this country, less that used in the arts, was convertible into money upon better terms at the European than at the American mints. But, Mr. Speaker, it is impossible in a short speech to enter into a satisfactory discussion of this complex subject. It needs no

argument to establish the well-known fact that prices have been declining since 1873 and are still declining. We need more money in circulation. Bimetallism will remedy the evils which afflict

in circulation. Bimetallism will remedy the evils which afflict the world. I believe that true and real bimetallism is possible. I am not wedded to any particular ratio. My judgment is that it would be wise for this country to adopt the European ratio of 15½ to 1, but I repeat that I care but little as to what ratio is adopted. The great and vital object to be attained is to change the law which demonetized silver, restore to it the functions of which it was deprived by law, and place it upon its true merits

which it was deprived by law, and place it upon his tractional at some proper and just ratio with gold as money.

Let us be honest with ourselves and with each other. If a man is a believer in bimetallism let him boldly say so, and let him say what it is country taking to accomplish it. If he steps he is in favor of this country taking to accomplish it. If he believes in the policy of bimetallism, but has despaired of it ever being again put into practice, and is opposed to any efforts being put forth for its restoration, but favors a supine submission to the inevitable, let him say that. If he believes in "international bimetallism" let him advocate an international conference at once. If he believes with the President that the single gold standard is best for this country, let him be a man and have the courage to come out in plain terms and so declare; but, sir, I submit that it is neither consistent, courageous, nor manly to pretend to believe in some sort of bimetallism based upon the concur-rence of certain nations of Europe and America, and in one breath to say that there is no hope for such concurrence, and in another to ridicule bimetallism and charge that it has been tried for centuries and found to be a failure.

Mr. Speaker, I am a bimetallist. I believe that it is the only remedy for the evils which afflict our nation and our race. I believe that it can be accomplished, and I am in favor of the continued, persistent, and unending struggle for it until success shall crown our efforts. [Applause.]

Coin Redemption Fund.

SPEECH

HON. CHARLES L. MOSES,

OF GEORGIA,

IN THE HOUSE OF REPRESENTATIVES.

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. MOSES said:

Mr. CHAIRMAN: I have sat here during three Congresses listening to the promises and predictions of these advocates of a sole gold standard. They have always promised prosperity and plenty if Congress would obey them. They said in the Fifty-second Congress, "Kill free coinage." They said in the Fifty-third Congress, gress, "Kill free coinage." They said in the Fifty-third Congress, "Repeal the Sherman purchasing law, and prosperity will come to all." Just before we take this vote I propose to recall to the memories of these gentlemen some of the prophecies they have uttered in the past. If I had the time, I could show by the record that every prophecy made by the enemies of silver on this floor during the last twenty years has proved utterly false. They have led us to disaster and ruin. Stagnation and death have seized upon all lines of legitimate business and the Government itself has been

Placed in the hands of a receiver, with the Rothschilds in control.

You have failed to give relief to the people and the country has repudiated you. You have well-nigh destroyed the Democratic party, and when we appeal to you to return to the good old paths our fathers trod, you denounce us as "silver lunatics" and Popu-

BIMETALLISM IS NOT POPULISM.

Those of us who stand on this question as we stood four years ago, and still vote as Democrats have always voted, are now denounced by this gold crowd and by the little editors under their control as Populists. Mr. Chairman, were Jefferson, and Madison, and Calhoun, and Jackson, and Stephens all Populists? Were Mr. Carlisle and the men who voted solidly with him for silver at 16 to 1 in the Fifty-first Congress all Populists? We believe that gold and silver, the money of the Constitution, should be the primary money of the country, and all paper notes are but promises to pay so much of one or the other of these coins. Utilike the Populists, we do not favor silver coinage simply because like the Populists, we do not favor silver coinage simply because it increases the volume of currency. The gentleman from Kansas [Mr. Baker], a leader of the Populist party, said on this floor a few days ago he would have the bulk of the currency to consist of greenbacks. I asked him if he would make the greenbacks redeemable in coin, and he said he would not. The Populists advocate an irredeemable paper currency. In the Fifty-second Congress, when it was thought free coinage would pass, Mr. Watson, their leader, announced to his followers that they must not be satisfied with that sop thrown to them; that there was but little in free coinage of silver, and it meant only about 50 cents per capita added yearly to the volume of currency.

WHAT DEMOCRATIC BIMETALLISM IS.

We believe it to be the duty of Congress to establish a standard of values for all the States. The Constitution says gold and silver jointly shall be this standard. If you have the right to reject one you have the right to reject both metals and so leave the people without any money. We declared by law that 412½ grains of silver or 25.8 grains of gold should be a dollar. This is the law to-day. Every outstanding debt in the country was made with the understanding that the debtor could discharge it with either metal. To demonstize silver and make all debts payable in gold would To demonetize silver and make all debts payable in gold would double the burden of the debtor class, because gold would be dearer on account of the increased demand.

BIMETALLISM VERSUS A GOLD STANDARD THE ISSUE

Mr. Chairman, we have at last the issue squarely drawn be-Mr. Chairman, we have at last the issue squarely drawn between bimetallism and a single gold standard. Heretofore the gold men have loudly claimed to be the true friends of silver and the only true bimetallists.

Following Mr. Carlisle, they now say there can be no such thing as bimetallism. It is a "physical and metaphysical impossibility." We have at least to thank them that they have at last thrown off the mask and made the issue clear.

There are those who favor silver colleges have the same those who favor silver colleges.

There are those who favor silver coinage, but are opposed to the ratio of 16 to 1. I say to them the great question now is, Shall we have silver coinage at any ratio? It is their avowed purpose to fasten upon the country the single gold standard.

In the Fifty-second Congress they objected only to the ratio of 16 to 1. They said they would vote for a higher ratio. Knowing the people demanded that this question should be settled some way, we afterwards submitted to them a bill increasing the ratio to 20 to 1. They refused to vote with us; they had changed their

In the Fifty-third Congress they came to us and said, "Let us repeal this Sherman purchasing law. It is nothing but a miserable makeshift. It can not be patched. Let us repeal it outright and follow it up with Democratic silver legislation." Oh, how eloand follow it up with Democratic silver legislation." Oh, how eloquently they discoursed about "clearing the deck for action." Mr. VOORHEES in the Senate and Mr. Wilson in the House both gave assurance that repeal was to be followed with other silver legislation. I charge here that the repeal of the Sherman law was secured by fraud and deceit. They cleared the deck for action, and then it was found that the Democratic guns had been spiked by these traitors to their party.

SOUTHERN DEMOCRATS WERE BETRAYED IN THE FIGHT FOR THE REPEAL OF THE STATE BANK TAX.

In the Fifty-second Congress it was known that we earnestly desired the repeal of the tax upon State bank issues. Thinking they might divert us from silver, Eastern members urged us to concentrate our energies upon this measure and they would help concentrate our energies upon this measure and they would help us. In the preliminary contest of that Congress they spoke for us and voted with us. In the next Congress, when we hoped we were strong enough to win, we found, when it came to the tug of war, that these men had deserted us. One of them had been placed upon the Banking and Currency Committee as our special friend, but he used the power we gave him to defeat our measure. Thus we have ever received Punic faith at your hands. Can you special the power we have ever received Punic faith at your hands. again ask us to accord you our confidence?

The truth itself is not believed From those who often have deceived.

Mr. Chairman, these advocates of a gold standard have failed

Mr. Chairman, these advocates of a gold standard have failed to give any relief to the country. They offer none now. They would lead us into hopeless ruin. We say to them frankly if they will restore to the people the free coinage of gold and silver and prosperity does not come to the entire country we will join them in repealing the law. Even a partial recognition of silver has always been followed by rising prices and prosperous times.

We did not rally from the panic which began in 1873 until we began to coin silver in 1878. That act, known as the Bland-Allison law, was denounced as silver coinage is to-day. All manner of evil was predicted as sure to follow its enactment. But the next decade was one of great prosperity. Again, in 1890, when there was a still larger recognition of silver, and the world began to think that the United States would stand by silver, that metal rose to \$1.20 an ounce—almost to parity with gold—in all the markets of the world. And well do we remember that the Southern farmer in 1890 and 1891 sold his cotton for 10 and 11 cents per ern farmer in 1890 and 1891 sold his cotton for 10 and 11 cents per

We also remember the dire results that followed the unconditional repeal of the Sherman law. Instead of prosperity, as was promised, prices began to tumble and the people were plunged

deeper into distress and poverty. The Southern farmer sold his cotton for less than 5 cents per pound. By fastening upon us the single-gold standard they have robbed the South of the Godgiven heritage which it had in cotton. The Southern farmer is forced to sell on a gold basis in competition with his Eastern competitor, who receives his price in silver. Our competitors in silver-using countries now receive about 14 cents per pound, while we are forced to sell at 7 cents measured in gold. How like mockery to Southern ears now sound the beautiful words of Henry Grady, who thus spoke of the cotton plant:

Grady, who thus spoke of the cotton plant:

What a royal plant it is! The world waits in attendance on its growth. The shower that falls whispering on its leaves is heard around the earth. The sun that shines on it is tempered by the prayers of all people. The frost that chills it and the dew that descends from the stars is noted, and the trespass of a little worm on its green leaf is more to England than the advance of the Russian army on her Asian outposts. It is gold from the instant it puts forth its tiny shoot. Its fiber is current in every bank, and when loosing its fleeces to the sun, it floats a sunny banner that glorifies the field of the humble farmer; that man is marshaled under a flag that will compet the allegiance of the world and wring a subsidy from every nation on earth. It is the heritage that God gave to this people forever as their own when he arched our skies, established our mountains, girt us about with the ocean, loosed the breezes, tempered the sunshine, and measured the rain. Ours and our children's forever.

Mr. Grady did not anticipate the blighting, withering curse which the gold standard was to bring upon his people. His paper is now begging the people of the South to reduce the acreage of this "royal plant." This will give only temporary relief, because as we reduce our acreage India will increase hers more rapidly. The trouble to-day is not that there is an overproduction of clothing and food. Under the gold standard prices have fallen so low that the masses of the people do not receive wages sufficient to buy even the necessaries of life, and they cease to be consumers.

Mr. Chairman, it is ruinous folly to make gold the only money of final redemption. For thousands of years the world has con-sidered itself fortunate if the annual supply of both gold and silver was found to be equal to the demand for primary money. This is what Mr. Carlisle said upon the subject in 1878:

This is what Mr. Carlisle said upon the subject in 1878:

I know that the world's stock of the precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half of the metallic money of the world is the most gigantic crime of this or any other age.

The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilence, and famine that over occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half of the metallic money of the world. With an ample currency, an industrious and frugal people will speedily rebuild their works of internal improvement and repair their losses of property, but no amount of industry or economy on the part of the people can create money. When the Government creates it, or authorizes it, the citizen may acquire it, but he can do nothing more.

The stock of gold is not sufficient to do the business of the world. In the last Treasury report it was announced there were outstanding in this country \$499,000,000 gold coin. How much of

their reserves \$127,000,000 of it, and to-day, according to the estimates of President Andrews and other eminent authorities, there are not in in free circulation over \$150,000,000 gold. wonder it is easy for the gold syndicates to corner our gold and

put us at their mercy.
Silver men want honest money. We want the dollar that is most stable in its value, not a depreciating dollar and not an appreciating dollar. These gold monometallists would deceive us with their cry for honest money. Robbers are often known to rush through the streets shouting "Stop thief!" to divert attention from their own thefts. It is not honest to require the debtor to pay his debts in a constantly appreciating currency. This is what John Sherman said on this subject in 1869 when it was proposed to change immediately from a paper to a specie standard:

posed to change immediately from a paper to a specie standard:

A measure to require a debtor now to pay his debt in gold, or currency equivalent to gold, requires him to pay 135 bushels of wheat when he agreed to pay 100; and if this appreciation is extended through a period of three years, it requires him to pay an interest of 12 per cent in addition to the rate he has agreed to pay. The appreciation of currency is a far more distressing operation, than Senators may suppose. Our own and other nations have gone through this process before, and always with the sorest distress. It means the ruin of all debtors whose debts are twice their capital, though one third less than all their property. It means the fall of all agricultural productions without any great reduction of taxes. To attempt this task suddenly by a surprise upon our people, by at once paralyzing their industry, by arresting them in the midst of lawful business and applying a new standard of value to their property, without any reduction of their debt or giving them an opportunity to compound with their creditors or distribute their loss, would be an act of folly without example in modern times.

I submit, Mr. Chairman, a table showing how gold has appre-

I submit, Mr. Chairman, a table showing how gold has appreciated during the last twenty years. A gold dollar will purchase more now than it would then by the following amounts:

More wheat by 108 per cent. More flour by 76 per cent.

More sugar by 60 per cent.
More iron by 64 per cent.
More cotton by 65 per cent.
More lead by 110 per cent.
More wool by 65 per cent.
More leather by 24 per cent.
Average increase on these articles, 78; per cent.

This constantly appreciating standard is not an honest one. The Democratic party has always stood for honest money. platform of 1884 we find the following;

We believe in honest money, the gold and silver coinage of the Constitu-tion, and a circulation convertible into such coin.

There we have the Democratic definition of honest money. Mr. Chairman, who are the men who are sending out tons of litera-Chairman, who are the men who are sending out tons of literature from New York to educate the people upon the subject of sound money? They are the same old gang who came to Congress in 1869 with billions of bonds, for which they had paid depreciated greenbacks and which were redeemable in greenbacks. At their command Congress changed the law and said their bonds should be redeemed in coin—gold or silver—at the option of the Government. They went to work at once to discredit silver and cause gold to appreciate, and now in their honesty they come and say, "Strike out this word 'coin' and make the bonds payable in gold alone." These are the men for whose benefit a quarter of a billion of bonds have just been placed upon the overburdened tax-payers of this country. Tell me they are the apostles of honesty! payers of this country. Tell me they are the apostles of honesty! Why, sir, the pirates who sailed under their black flag were honest men in comparison with these bloodthirsty shylocks.

SOME OBJECTIONS TO SILVER ANSWERED.

Now, briefly, in reply to some of the objections to silver which Now, briefly, in reply to some of the objections to silver which have been urged here: It has been said that silver has greatly depreciated on account of its overproduction. The production of silver to-day is running far behind that of gold. The output of gold in 1895 was \$30,000,000 more than silver even at its coinage value. The total stock of silver in the world is much less than that of gold. The silver dollar, even at its bullion value, will buy as much as it ever would. It has not depreciated except in comparison with cold parison with gold.

as much as it ever would. It has not depreciated except in comparison with gold.

Again, they say if we opened our mints the bullion of the world would be "dumped" upon us. Where is the dump to come from? Outside of what we have in the Treasury there is no great stock of bullion in the world. The nations of Europe could not send us their silver money because its current value there is greater than its coinage value would be with us. And we must not forget that Europe is constantly demanding bullion to replenish its subsidiary coinage. But coin the entire output of the United States and draw all you can get from Mexico and you would not add more than \$1 per capita to your metallic money annually.

But, Mr. Chairman, they say, "Why do we want silver when all Europe rejects it?" The great masses of the people there would gladly vote to restore silver. They are bound by the shackles of the gold despotism and have no voice in the matter. They say free coinage would Mexicanize this country. Mr. Chairman, Mexico is to-day making greater progress than any gold-standard country in the world. Look at Japan. Under the silver standard she is to-day enjoying marvelous prosperity, and is already shipping her manufactured goodsinto our Pacific States. As has been said by another, why do you not point us to Turkey and Egypt? said by another, why do you not point us to Turkey and Egypt? They are gold-standard countries, but we hear nothing encourag-

They say if we cut loose from Europe we would have to go it alone. Two-thirds of the population of the globe use silver money exclusively, and our return to silver would give us a tremendous advantage in securing the trade of these nations. I submit an extract from the Financial News of London, showing how apprehensive they are upon this subject:

There is a plain moral in the remark that if the United States would venture to cut herself adrift from Europe and take outright to silver she would have all America and Asia at her back and would command the markets of both continents. The barrier of gold would be more fatal than any barrier of the custom-house. The bond of silver would be stronger than any bond of free trade.

There can be no doubt about it that if the United States were to adopt a silver basis to-morrow British trade would be ruined before the year was out.

not wait for the monarchies of Europe to legislate for us. The people look to us for relief. The gold men stand helpless and suggest no remedy. We offer you no untried experiment. For four thousand years the world has found it safe. Restore silver to the place it occupied in 1873 and if prosperity does not follow we will join you in again repealing the law.

[Here the hammer fell] Mr. Chairman, we should strike for a bold American policy and

(Here the hammer fell.)
Mr. BLACK of Georgia. I ask that the gentleman from Georgia
may be permitted to proceed for five minutes longer.
There was no objection.

We will not abandon the money of the Constitution. As long as common honesty is dear to our people they will repudiate this juggling with the currency. They will never consent to legalize robbery. They will never advocate a single gold standard, because they respect the old commandment which says, "Thou shalt not steal."

The States that never go Democratic may force upon us a gold-standard platform and candidate; but you can not drive us from our party. On election day many of our people may take to the woods, but whatever may happen in other sections of the coun-try old Georgia will carry the Democratic banner to triumphant

Coin Redemption Fund.

SPEECH

HON. CHARLES N. BRUMM.

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, February 11, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. BRUMM said:

Mr. SPEAKER: I do not propose in the short time that is allotted to me to go into a scientific discussion of gold or silver, or the monetary question. That has been done quite extensively on both sides. I propose to get down to practical facts and practical oper--not so much theories as remedies.

I want to say first that I am not in favor of free silver as under-I want to say first that I am not in favor of free silver as understood by the free-silver men, principally because I am opposed to the Government paying more for silver or any commodity than the market value thereof. More than that, I am in no sense a monometallist, and especially a gold monometallist. To me it is entirely incomprehensible that any intelligent man should contend for a moment that we could under our system sustain the circle could begin be the country.

entrely incomprehensible that any intenigent man should contend for a moment that we could under our system sustain the single gold basis in this country.

Gentlemen have expressed fears that we might not be able to sustain both. Have they reflected how much harder it will be to sustain the one alone, especially gold monometallism? As to the method and what we should exactly do, I doubt whether there are twenty men on the floor of this House who have their own opinions on this question who would agree. What a Dolly Varden piece of patchwork the various thoughts and methods advocated on this floor would make. They are mostly theoretical, relying upon statistics alone, without knowing what other factors enter in that may make wonderful changes in the practical operation of their theories. If our protectionists would apply the same reasoning and heroic methods to this question that they do to the tariff there would be but little trouble in solving the problem.

My very distinguished friend [Mr. DINGLEY], chairman of the Committee on Ways and Means, insists upon the House bill. Sir, I did not believe there was a member of this House who, under existing conditions, would now favor the bill as it passed the House. The condition that confronted us then was that there was a threatening contingency, and that some relief must be supplied at once; there was a financial crisis pending, and back of that a member of the problem of the target of the problem.

plied at once; there was a financial crisis pending, and back of that a menace by the Executive that unless we at once came to the relief of the Treasury by passing some kind of a bond bill he would exercise the power he had to issue bonds under authority heretofore given.

heretofore given.

The House passed the bond bill, which cured the evil for the time being. By it we stopped the Executive from again entering into a contract through his own law partner to sell to a foreign syndicate at private sale bonds upon higher rates of interest and longer terms than those specified in the bond bill that we passed. The result of the bids, I think, fully showed the wisdom of the passage of the bill at that time. But now the exigency has passed. The bond bill as we sent it to the Senate did its work, and now would be of no use to the country. The moment it passed this House and went to the Senate it was a warning to the President that came like a thunderbolt from a clear sky and forced him to put into practical operation the main feature of that bill, and in my judgment no one was more surprised and disappointed at the successful results than the President and his Secretary of the Treasury.

The other clause of the bill, to issue notes temporarily, is not a

There was no objection.

Mr. MOSES. I thank the committee for its consideration.

Now, what about the course of the Democratic party? It has been asked, "What are Southern Democrats going to do in the next election?" We answer, we shall preserve the integrity of our party.

The other clause of the bill, to issue notes temporarily, is not a crying want at this time; and therefore I contend that it would be wrong to insist upon the House bill. My friend Governor DINGLEY finds fault with the Senate bill, and says it is not germane to the question. I say it is germane to the question.

The issue is how to relieve us from financial distress, and the only

The issue is how to relieve us from financial distress, and the only question is, which is the better way to do it?

The Senate saw fit to pass a free-coinage bill to help us out of the trouble. I do not believe in their bill as they passed it. I do not believe that they were wise in insisting on so radical a measure; but I do believe, and here I want the attention of my Republican friends to this fact—I do believe that if the Morrill amendment had been passed by the Senate and added to that bill it would have been a wise measure: it would have event the dement had been passed by the Senate and added to that bill it would have been a wise measure; it would have cured the defect; and it is for that reason that I have offered the Morrill amendment, incorporating in it, however, goldas well assilver, and ask the Republican members of this House to stand with the Republican majority of the Senate and show them that while the could not pass it in a Democratic and Populistic Senate, here, in this Republican House of Representatives, we can pass that amendment; and if we want to redeem our promises we ought to stand by the amendment that I have offered and show the people we are in carriest in this matter, and that the Senators were in carriest in earnest in this matter, and that the Senators were in earnest when they offered that amendment as a compromise between the extreme free-silver men on the one hand and the extreme gold men

on the other.
"But," says the distinguished chairman of the committee, "I be-"But," says the distinguished chairman of the committee, "I believe in a do-nothing policy; do nothing at this time, because we can not accomplish anything." Mr. Speaker, I dispute the proposition. This is a Republican House by a very large majority. There is no power that can stop the Republicans of this House from doing what they believe to be right, and it is their duty to make a record and let it go to the Senate, and if the Senate chooses to take the responsibility not to agree, then let the responsibility rest where it

But I believe, Mr. Speaker, that if you will pass my amendment, and send the bill back to the Senate with that amendment, the Senate will pass it, and then throw the responsibility on the Executive. Send it there, and let the Executive put himself on record when the chance is given him to relieve the country in a substantial way by establishing true bimetallism, without injury to the country and without any risk of reducing us to a monometallic

basis of either gold or silver.
Sir, I believe that if the Senate bill, with my amendment, would be passed the President would not dare to veto it, and if he would carry out the spirit and letter of the law it would eventually settle this question forever, for it would in a short time restore the parity of the two metals, and thus force all Europe to a firm and ever-

lasting bimetallic basis.

lasting bimetallic basis.

Before going into the general discussion of this question I want to say a word to my friend from Massachusetts [Mr. WALKER] who is not here, unfortunately, and it is only for the reason that I can not in my presence allow this error to go by unanswered that I desire to make this statement. He says that the greenbackers asked for an unlimited issue of paper. Why, Mr. Speaker, he never knew what the greenback theory is if he says that any man is foolish enough to ask for an unlimited issue of anything. We only asked for the issue of greenbacks with full legal tender of an amount sufficient to serve as a healthy circulating medium, for the Government would at all times be master of the situation.

No such idea as you were attempting then to gull the people

the Government would at all times be master of the situation.

No such idea as you were attempting then to gull the people with, that we would start our printing presses and issue paper money in unlimited quantity, was ever advocated by greenbackers. You forget—and it is a question that is a material one in discussing this question—you forget, sir, that the Government is not and ought not to be a bank of issue, to loan its money out on discount or in any other way. The Government is not so paternal that it will give one dollar away for nothing. The Government can only issue its money for value received, and when it is issued, the Government gets 100 cents in value for it, and when that dollar passes into the hands of a man he receives on it a hundred cent, and when it passes around and comes back to the Government, the and when it passes around and comes back to the Government, the Government will only receive it by giving a hundred cents for it

again.

There it stands, an absolute and positive representative of the There it stands, an absolute and positive representative of the value of 100 cents to every dollar every time it passes from one to another. That is only part of the argument that these men have for years been using to hoodwink the people. But again, the gentleman from Massachusetts says that human effort makes the price of all things. Well, I-need not stop to answer that now, except to say that the cost of an article is only a factor in making and regulating the price up to the point of healthy competition, and that the law of supply and demand is the greatest factor in making the price of all commodities, especially gold and silver. Indeed, in making or regulating the price or value of gold or sil-

Indeed, in making or regulating the price or value of gold or silver. (like that of diamonds and other purely natural products) the only factor is that of supply and demand.

The cost of production has nothing whatever to do with their price or value. They are products of nature. They are like the waters that flow from the fountains, only not quite so plentiful. They are, like the air we breathe, natural products. You can not manufacture gold or silver.

You can not create them. You can not change the supply by turning your corn field into a gold field or silver field as you can turn it into a wheat field, and so on. You can only slightly stimulate supply by enhancing their value through enlarged demand. Silver and gold are the two stubborn instruments of nature that silver and gold are the two stubborn instruments of nature that have been grasped by the money power for ages to enslave humanity. The idea of the cost of production being a material factor in price of other commodities does not apply to either gold or silver. They are of all things in the world the two things that can be most readily and most positively "cornered" by the rich men of the world. They are of all things the most potential scepter in the hands of tyrannical power to control humanity and to govern individuals as well as monarchies and remainity and to govern individuals as well as monarchies and republics. And when you tell me, sir, that their price depends on the cost of production, you tell me that which is not founded on truth.

"But," says my friend from Massachusetts [Mr. WALKER]—

"But," says my friend from Massachusetts [Mr. WALKER]—
I see that he has just come in, and I am glad of it—"England imports more than she exports, and yet holds her gold." That is true; but how does England hold her gold? Let us see. England proper is not the producer of gold. But she is the great creditor nation of the world. England imports more than she exports, but she pays for much of her importations by the blood and sweat that she draws from her colonial possessions in the shape of taxes, penalties, dividends, interest, subsidies, etc., besides the income from her other creditors, and in that way she takes good care to keep her gold at home.

In support of this I read from page 87 of The American, edited by Wharton Barker:

by Wharton Barker:

It may here also be remarked that as Great Britain's imports much exceed her exports a fall in prices would inure to her benefit, even if the prices of British manufactures exported fell proportionately with the raw materials which she imports. This difference between the volume of her imports and exports, and amounting to a yearly average of not less than \$600,000,000, research the sums due to Englishmen for the use of their ships by foreigners and interest on capital which they have invested abroad, which they take in the shape of merchandise. For 185 the imports into Great Britain amounted to £416,089,000, and less reexports of produce imported from foreign countries of the British colonies to £384,1695, while exports of British produce amounted to £226,169,174. This left a merchandise balance against Great Britain of £130,547,693, or approximately \$550,000,000.

But did England send abroad gold in payment of this adverse merchandise balance? No; on the contrary her imports of gold exceeded exports by £14,736,715, and her not imports of silver amounted to £326,246, and total of £15,089,961, or \$75,000,000. England thus imported \$725,000,000 more than she exported. This is the sum that represents the interests on money loaned abroad by Englishmen, the money spent in England by travelers in excess of money spent by Englishmen traveling on the continent or elsewhere, and the freights paid their shipowners for the use of their ships. The further prices fall the greater will be the quantity of goods required to be sent to England in settlement of this immense sum. Is it not apparent that America that suffers the most from falling prices, must take the initiative in restoring bimetallism—not England that suffers the least? It is folly to wait on England, a nation that is ruled by a class that actually profits by the fall in prices.

Although the balance of trade between this country and Engand proper is in our favor, yet England gets very much of the gold with which she pays the other countries and hoards herself from this country, for we pay tribute to the Old World, most of it to England, to the extent of almost \$1,000,000 a day. And yet gentlemen ask us to reason from analogy in this matter and agree that because England imports more than she exports and yet retains her gold, therefore the same rule is applicable to this country.

And, Mr. Speaker, let me say just here, that one of the great errors that our people fall into is, that they forget that we are the greatest debtor nation in the civilized world, as well as the greatest con-sumers. They do not consider this country as the protectionists do, that is, as a country standing, as it were, isolated and alone, peculiar in our institutions, peculiar in our conditions, peculiar in

our methods, our wants, and our necessities; so that the rules that are applicable to the countries of the rest of the world ought generally to be reversed when applied to this country.

But the gentleman from North Dakota [Mr. Johnson] the other day thought he "proved" everything very conclusively in behalf of the monometallic idea. With his spasmodic figures and charts he attempted to show that the price of silver had no effect at all upon the price of wheat, and yet by that very chart he did show that wheat had jumped and hopped from the lowest to the highest and from the highest to the lowest rung of the ladder almost in the twinkling of an eye, and that silver had jumped in the same way, and his first chart showed that that was the effect in India. Now, does any sane man believe that that sudden spasmodic jump and fall was the cause of the demonetization or of a threat to demonetize silver? Or must be not rather acknowledge the fact that it was caused by the famine in Russia and the cornering, speculating, and robbing that has taken place because we have permitted the monometallists to contract the basis of value to a single commodity-gold-which is the only product that need be affected to bring on a financial spasm in this or any other gold-basis country; but that the steady fall of all commodities is due to the steady fall

of silver?
"But," says the gentleman from North Dakota, "oh, the horror, the horror of anything like bimetallism! See the millions

that are deposited in our banking institutions! See the holders of insurance policies! In other words, look at our creditors, have a care for them! Lo, the poor creditor!" Aye, gentlemen, have a care for them! Lo, the poor creditor!" Aye, gentlemen, that has been the battle cry for ages; but you seem to forget, when you are stretching a point in behalf of the creditor, that there is another man who is affected, and that is the debtor. There can be no creditor unless there is a corresponding debtor. There is at least one debtor to every creditor, and that debtor owes what the creditor demands. Therefore, if you are so afraid that the creditor will be affected, why do you not have some regard for the debtor? Let me tell you, sir, that besides the creditors of the banking institutions and the insurance companies, you should consider also the men who pay the premiums year after year and semiannually. and semiannually.

and semiannually.

Then you have those who get discounts from the banks. The borrowers of money, whether on bond or mortgage; the debtors, whether corporations or individuals, must part with more of their production or labor to liquidate their liability. They must pay back the money with interest, no matter whether money rises or falls. You have, besides those, the taxpayer, who is always in debt. In the taxpayers, from the highest to the lowest, are included every citizen of the land, all affected adversely by a falling market, or cheap prices and dear money. But the worst feature of the case is, that this debtor in taxes, indirectly at least, and in all other forms of debt, owes a large amount of it to the creditor abroad; yet you are more solicitous for the creditor abroad than you are for the debtor at home; you are willing to wring the last drop of blood from the debtor at home for the purpose of establishing what you call "confidence" for the benefit of the creditor abroad. I will speak of this later.

Sir, if there is to be wrong committed, if there is to be robbery of one class for the benefit of another, I would rather rob the rich to pay the poor, than rob the poor man of the little that he has to make the rich richer, and I would rather rob the foreign robber make the rich richer, and I would rather rob the foreign robber who is trying to rob me than rob from my own flesh and blood. But, sir, both are wrong, and I believe that neither is necessary. Adopt my amendment, and by an easy process things will adjust themselves; there will be a healthy advance in prices, and by checking in a great degree unnatural fluctuations we can with a protective tariff establish such stability as will bring to our people untold progress and blessings.

The gentleman from Missouri [Mr. Hall] is not now in his seat. I am sorry he is not, for I desire to comment on some of his remarks. Of all things that have surprised me in this debate the gentleman's remarks were the worst. Here we have a man who voted for free silver last session, and now he comes here, not as a bimotallist, not trying to right himself and his country, but he has

bimetallist, not trying to right himself and his country, but he has jumped the traces completely, has gone clean over, and is one of the most avowed gold monometallists on the floor of this House. And the only reason he gives (and this is right in the line of my thought) is that he wants "confidence" restored. He says that the credit circulation will contract if you agitate increased basic money. Yes, it will contract, and that is just what we want. We want the credit money to contract, and we want a substitute for it, as far as we can get it, in basic money; that is, we want

when you tell us that you want confidence, we reply, that is just what we want. But the confidence that you want is a confidence based upon a lie—it is the "confidence" that the gambler wants his victim to have when he leads him to fight the tiger; the "confidence" that the stool pigeon of the "three-card-monte" man or thimble-rigger wants his victim to have when he brings him up to or thimble-rigger wants his victim to have when he brings him up to rob him of his money. Bir, the "confidence" that we want is the confidence that has a solid gold and silver backing. The confidence that you ask for is confidence with nothing behind it. The "confidence" that we ask for is absolute—a true, living fact, based "confidence" that we ask for is absolute—a true, living fact, based not upon a mere idea or theory or mere promises, but upon two solid metals rather than upon one. The confidence that you want is the confidence that would ask a man to pass upon a gang plank with but one prop, and that in the center, so that when he passes the center the plank goes down, while you are trying to persuade him that there is no danger; the "confidence" we ask puts the gang plank on two props, one at each end, so that men, women, and children can walk across it in safety. Yet the gentleman from Missouri justifies his action on that false basis alone, and then prides himself on his courage and wisdom, and because of these prides himself on his courage and wisdom, and because of these prides himself on his courage and wisdom, and because of these self-arrogated virtues compares himself with Gladstone. (I am sorry he is not here; I almost hesitate to go on; yet I feel I ought to do so.) For he says, "Yes, I was a free-silver man at the last session, but I have changed my mind; all great men change their minds; Gladstone changed his mind;" from which no doubt he would have us infer that Gladstone, the Grand Old Man of England, changed his mind, and the grander young man from Missouri changed his mind—me and Gladstone! [Laughter.] His modesty is only excelled by his logic. The gentleman's attitude can, in my judgment, be characterized by one word, a word which originated in the Senate—"cuckoo," "And there are others," but

none so glaring as they who can give no good reason for their change of faith, but go to the housetops and proclaim and attempt to justify their change by traducing the men with whom they have battled for years and tell them that they are like the Crinese and the lower order of animals, which never change, "while we great and mighty men do change." and mighty men do change.

Now, I want to say one word to my Democratic friends. The gentleman from Mississippi [Mr. Williams] says, "Supply and demand regulate the value of money and all products." You are right, my friend. And the gentleman from Alabama [Mr.

Falling prices are desired by bondholders and the money power only.

You, too, are right, my Democratic friend. And then he con-

Our nation ought to be independent of Europe. Like the Numidian lien, we know not our strength. For God's sake let us assert it.

Oh, how I congratulate my Democratic friends that they have at last come over to the protective idea that supply and demand regulate the price; that we ought to be independent of England and the world; that, like the Numidian lion, we have been unconscious of our strength, but, now that we know it, should assert it. I trust our Democratic friends will be ready to assert it at all times, whether we are considering the financial question or the tariff question.

I wish I could say that your Secretary of the Treasury, Mr. I wish I could say that your Secretary of the Treasury, Mr. Carlisle, had shown the same progressive spirit. He seems still to stand on the old free-trade doctrine, for in his speech in New York, at the bankers' banquet, he said: "We are now getting down to normal conditions, and I am glad of it." Ah. my free-trade brethren, the present doctrines of Mr. Carlisle are what you have been advocating for years, although he, too, vamps "cuckoo" on this question, as shown by extracts from his remarks at end of

Yes, we are getting down to normal conditions and low prices? Why, Mr. Speaker, in the West the farmers are using their corn for fuel instead of consuming our coal; potatoes selling at 15 cents per bushel in Philadelphia, and that is what the Secretary of the Treasury and the gold advocates of the country mean when they say we must come down to normal conditions, namely, low price cheap wages, cheap products, cheap men, and cheap women. God

Sir, I would like some of these gentlemen to designate the standard of the normal conditions they want to drag us down to. ard of the normal conditions they want to drag us down to. Do they mean that we must reduce prices—cheapen all things to the standard of the gold-using countries? And when we have done that we can stop there and all will be well? Sir, that is only one step toward normal conditions, for the next step will be to drag the so-called civilized world with ourselves down to the next standard, to wit, the standard of the silver-using countries, and when we have all gotten down to that standard, the so-called civilized gold countries and the uncivilized silver countries will together go down farther. For not until we get to the standard of barbar-ism, which is the bed rock, will we have gotten down to normal conditions. Yet this is the logical sequel of the gold monometallist and free trader.

Sir, in a country like ours, being the most heavily burdened debtor nation in the world, with a system that makes our Treas-ury the medium for exchange of all securities and values for gold, nry the medium for exchange of all securities and values for gold, no matter how low the standard at which these values were purchased, it is impossible to maintain gold monometallism. It is infinitely harder to do that than to bring about the parity of gold and silver, single-handed and alone, by a moderate and conservative system of unlimited coinage of both gold and silver at a ratio based upon the natural production of both metals.

Sir, it is absolutely impossible much longer to carry out our present system, for under this system our Government is the only one which has undertaken the impossible task of exercising the save

one which has undertaken the impossible task of exercising the sovereign function of coining money and regulating the value thereof and issuing bills of credit redeemable at the option of the holder and at the same time discriminating against one of its redemp-tion metals. There is no nation on the face of the earth, except-ing ours, which attempts to perform the function of a bank of exchange and under our system to pay out gold under all circum-

Every other nation in the world retains for itself the option in all its payments. In France they pay out from 10 to 100 per cent in silver when demands are made upon the Banque la France. In in silver when demands are made upon the Banque la France. In England they raise the discounts to prevent a run on their gold, and so in Germany and every other civilized nation they protect themselves by always retaining the option. In fact, no Government in the world attempts per se in any instance to exchange one kind of money for another at option of holder except this Government of ours, and in that way we furnish facilities to the gamblers, the speculators, the jobbers, and the robbers to ply their vocation, in comparison with which the gambling hells of Monte Carlo nale into utter insignificance. pale into utter insignificance.

Sir, the best evidence of our mighty power and resources lies in the fact that for so many years we have been able to do that which no other country would dare to undertake; but the time is now at no other country would dare to undertake; but the time is now at hand when the last straw is being placed on the back of the Treasury, which will break it and bring on destruction and ruin unless speedy relief is given. The passage of the Senate amendment, which gives to the Treasury the option and not the holder; which enables the Treasurer to say, "Yes, if you want the redemption of the greenback or Treasury note, here is your silver or gold," just as the Treasury desires, and not as the holder of the security may wish—for no man will contend that they are not endeemple in silver as well as gold—would stop the endless chain redeemable in silver as well as gold—would stop the endless chain and enable us by the passage of my amendment to coin the American product and give to the Government the seigniorage or difference in the market and coin value of the silver brought to the

It would obviate the necessity of passing any revenue laws to prevent the influx and coinage of foreign silver, as no foreign silver would find its way to our mints so long as they could not get more for it at the mints than its market value at home. member that the market value of silver is fixed abroad, in London, and not in this country; but I believe that, by the passage of my amendment, in a very short time the market value of silver would be on a parity with gold and that this country could very readily sustain it on that parity, especially if we were to adopt reciprocity measures with the silver-using countries that would enable us to pay our balances to these countries in silver. For, mark you, the balance of trade is in our favor with all gold-using countries, but is largely against us in all silver-using countries, and under our present vicious system, that forces us to make all our exchanges through London, we pay to the silver-using countries the balances not in silver measured in silver prices, but measured by gold values, thus paying 50 per cent more not only for the debts that we have incurred, but the debts that we may incur, and the current balance of trade against us. Change our system, and these silver-using countries, all of whom are our creditors, would drain us of the seeming surplus of silver that our gold advocates claim to be so much afraid of. Yes, it is time that we cut loose from the chains that are forged around us by the monetary system of England and, like the Numidian lion, assert our strength, and I believe in a few years the great clearing house of the world will be in New York instead of London, and America will wield the commercial scepter of the world.

Mr. PICKLER. Let me interrupt the gentleman to ask if that

will not still be keeping silver as a commodity and not as a money

Mr. BRUMM. I am treating it as a commodity, just as I treat gold as a commodity, for there is no such thing as dollars or money of the world. And here is the infamy of the false war cry of the goldites, "Money of the world," "Honest money," etc. Sir, it is the old cry of "stop thief," to divert attention from the truth for what we bimetallists want is honest money of all kinds, not the favored gold dollar that is dishonest to the debtor and begets the unfavored silver dollar which is dishonest to the creditor; but we want the fair-play gold and silver dollar placed on an equal footing under the law, and then make both of them honest dollars for both debtor and creditor, and this can only be done by har-monizing their bullion value. Our foreign exchanges are all made with bullion, and the value of it will only rise and fall as it will be influenced by that grand talisman of power, "supply and demand," which the Rothschilds and their associates so well know how to control, and by their ability to manipulate become the rulers of the world. But the effect of my amendment will be to put a stop at once to the introduction of foreign silver; there will be no inducement to send it here, since they can get no more for it here than they can abroad, as I stated before, and this is an-other reason why I am opposed to free silver. I therefore beg the attention of the gentlemen who favor bimetallism to the fact that my amendment will prevent the rush of foreign silver, that some of you claim we could not heretofore take care of, and thus bring about bimetallism without creating a ripple on the financial sur-

I maintain, sir, that the question of parity is not controlled so much by the amount of silver or gold that is coined as it is by the equal opportunity for coining. That is, let the Rothschilds and speculators in basic money know that there is no limit to the coinage of either metal. They will at once see how useless it would be for them to attempt to corner either one or the other alone and by these horrible fluctuations bring repeated disasters upon us, for then they would have to corner both metals, which would make it so expensive that it would hardly pay them to do it, for their main implement of war is the antagonism of the two metals, by which they use the one to corner the other; therefore, by harmonizing the two you deprive them of their most potent engine of destruction. The fact that before 1873 there was very little silver coined in this country, though under the laws there was free coinage of gold and silver, and the foreign coinage of silver amounted to for them to attempt to corner either one or the other alone and by

comparatively little, yet the metals maintained their parity, strengthens the position that I have taken—that is, that it is not altogether the question of the amount that is coined, but is largely a question as to the opportunity for coining in case a controlling of the supply and demand of the metal is attempted by the money sharks of the world.

Moreover, this would remove all danger resulting from the operation of the so-called Gresham law and thereby getting down to a silver basis, as it would instantly stop the throwing back on our market of our securities whenever there is a flurry in the money market. The reason our securities are thrown upon us at the time we are least able to take care of them is because they can always make the Treasury exchange these securities at par with gold values upon demand. Who ever heard of Canada or Argentina or India or Mexico or any other country having their segentina or india or mexico or any other country having their securities cast back upon them when they are supposed to bring the lowest in the market? Even in the great crisis brought about by the failure of the Barings the securities were not thrown back upon South America, but were held, because there was no Covernment so foolish as to make of itself the medium that would enable them to exchange the securities at gold values. But, sir, unless some measure like this is adopted we will inevitably be forced into a single-standard country, and that standard will be silver, for our system gives them every opportunity to take from us all our gold and to force upon us all their silver.

For the last century this has been the operation of our cursed system, for proof of which let me remind you of the fact that England and all gold-using countries are not producers of gold to any extent. We are the producers of more than half of all the gold of the world, and although the balance of trade is, and has been for the last century, in our favor largely with these gold countries, yet they have increased their gold reserve, while ours is constantly decreasing. In the last century we have produced in round numbers \$2,000,000,000 in gold, and have now at the highest estimates only \$500,000,000 in the country, and of this but between \$200,000,000 and \$300,000,000 is in sight. Where, I ask you, has this gold gone? The arts have taken but comparatively little of it. The balance of it, sir, has gone to England and the gold countries, and is there being used to lash us into submission to their imperial will.

From the year 1849 to the year 1879 we produced in round numbers \$1,500,000,000 of the precious metals, of which we exported over \$1,000,000,000 in this short period of thirty years, and this, sir, was when there was no agitation of the silver question; but it was drawn from us for the payment of our debts held by foreigners and the interest on them and to settle balances due by us to silver not gold using countries.

Sir, until our foreign debt is paid we can not prevent a draft on our precious metals. Neither would the destruction of every greenback and Treasury note prevent that draft; but if the Treasury paid at its option, it would assist largely in maintaining the parity of the metals and by unlimited coinage and reciprocity would in-

crease our ability to pay it just 100 per cent. Sir, our foreign indebtedness draws from this country almost a sir, our to eight indectedness draws from this country almost a million dollars every day, and is increasing from year to year. This can not last always. The remedy must be supplied, and that in a short time, or discredit, bankruptcy, and ruin must be the inevitable result. We must begin to liquidate our foreign indebtedness, and this can only be done by enhancing the value of our products with which we pay that indebtedness, and not by lower-

ing their value.

All gold-using countries are comparatively fully developed.

There is a surplus of wealth seeking investment. They can not have it at home. They will continue to seek undeveloped coundries to seek undeveloped coundries. tries for their investments. None so agreeable, so opportune, and so safe as ours. If there should be a relative increase of investments with high rates of interest and dividends and a relative decrease of the value of products, it will take no great mathematician to tell you what the ultimate result of this must be. But besides this, sir, the evil affects us in another way. The silsut besides this, sir, the evil affects us in another way. The silver-producing countries are threatening our manufacturing and agricultural industries. They produce their commodities at silver prices, and force them at this price upon the markets with which we are in competition at gold prices. Thus they not only lower the prices of the production, but by their cheapness force them upon the European gold-standard countries, thereby crowding the surplus product of the gold-standard countries on our markets as well as their own. well as their own.

Sir, no tariff can be high enough to protect us against this evil, and I now appeal most earnestly to our protect as against this via this question from that standpoint. To you I want to say that your attitude is the most incomprehensible and most inconsistent When you talk finance you advocate the single gold standard, which you know means dear money, cheap prices, or the free traders' normal condition, with expansion of credit and a more uncertain basis of confidence. Sir, I am a protectionist, because I am opposed to cheap prices and a system of revenue that forces

me in competition with the foreigner on his so-called normal condition or low standard, and because I want a more isolated and distinctive American system based upon American prices, American conditions, and American civilization, and which can be made as little subject to fluctuation by foreign manipulation as possible, and I apply the same reason, the same rule, the same method, to the financial question that I do to the tariff question because I

want the same results.

Why, do you know, sir, that American capital is even now seeking investment in Japan, not only because labor is cheaper in Japan, but because it is paid in silver, the material is bought in silver, it is completed in silver, and they make the profit between the silver and gold prices. Even American industries are abandoned here and taken to these silver countries, whose civilization is increased. ing and whose progress is recently second only to the progress of our own people; and how, I ask you, can we avert this terrible calamity unless we adopt heroic treatment and tell the gold-using countries we will no longer be made the cat's-paw to enable them to degrade and enslave us by giving both the gold and silver coun-tries undue advantage over us?

How strange it is that so many of our protectionists, who dehow strange it is that so many of our protectionists, who de-nounce the theoretical free trader, and who are so heroic in adopting practical tariff methods for protection, out-Herod Herod in their devotion to the low-priced financial theory. In other words, they want tariff to raise prices and want monometallism to reduce prices. "Oh, consistency, thou art a jewel, indeed!" Now, Mr. Speaker, in conclusion I wish to say that if the Re-publican party would only do this, first pass my amendment that

would give the Government the difference in the coin value and would give the Government the difference in the coin value and the market value, which would enable us to coin only the American product of silver; next adopt that part of the Senate amendment which stops the Government from being the exchange banker of the world—then give us a practical revenue bill with specific instead of ad valorem duties, and such reciprocity as will enable us to pay our debts to silver countries with silver and open the markets of the world to our products; and finally place a healthy limiteties and single place a healthy

markets of the world to our products; and finally place a healthy limitation on foreign immigration, and the problem is solved. Prosperity and happiness will be restored. Our glorious Republic will then progress and develop into greatness until it illuminates the world with its glory. [Applause.]

Oh, my Republican friends, it will not do to go to the people with mere promises. It will not do to say, "Yes, this is what we will do." Sir, I would rather go to the people with our banner to the front and proudly point to the acts we have done. Then say, with the mother of the Gracchi, "These are our jewels." Now, give us a House that will repeat, a Senate that will concur, and a President that will approve our acts—and the people will respond at the fall election with a mighty voice from all quarters of this great Republic, "Well done, good and faithful servants." [Applause.]

Extracts from speech of Hon. John G. Carlisle, February 21, 1878, in the House of Representatives, on Senate amendments to the bill (H. R. 1093) to authorize the free coinage of the standard silver dollar and to restore its legal-tender character (CONGRESSIONAL RECORD, volume 31, 1878, Forty-fifth Congress, second session, Appendix, page 41):

My position upon this subject is briefly this: I am opposed to free coinage of either gold or silver, but in favor of unlimited coinage of both metals upon terms of exact equality. No discrimination should be made in favor of one metal and against the other, nor should any discrimination be made in favor of the holders of either gold or silver bullion and against the great body of the people who own other kinds of property. A great Government should treat all its citizens alike, and whenever it attempts to do otherwise it will engender a spirit of discontent, which sooner or later must disturb the harmony if not the peace of society.

Page 43:

I know that the world's stock of the precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According for my riew of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three sevenths to one-half of the metallic money of the world is the most gigantic crime of this or any other age.

The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half of the metallic money in the world. With an ample currency, an industrious and frugal people will speeddly rebuild their works of internal improvement and repair losses of property, but no amount of industry or economy on the part of the people can create money. When the Government creates it or authorizes it the citizen may acquire it, but he can do nothing more.

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The struggle now going on can not cease, and ought not to cease, until all the industrial interests of the country are fully and finally emancipated from the heartless domination of syndicates, stock exchanges, and other great combinations of money grabbers in this country and in Europe. Let us, if we can do no better, pass bill after bill, embodying in each some one sub-

stantial provision for relief, and send them to the Executive for his approval. If he withholds his signature, and we are unable to secure the necessary vote, here or elsewhere, to enact them into laws notwithstanding his veto, let us, as a last resort, suspend the rules and put them into the general appropriation bills, with the distinct understanding that if the people can get no relief the Government can get no money.

Coin Redemption Fund.

SPEECH

HON. HUGH A. DINSMORE.

OF ARKANSAS,

IN THE HOUSE OF REPRESENTATIVES.

Thursday, February 13, 1896.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. DINSMORE said:

Mr. CHAIRMAN: I have hitherto refrained from participation in this debate. I have not believed that anything I could say would add to the literature of the subject or would influence the mind add to the literature of the subject or would influence the mind of any gentleman of the House on the final vote. It could not be hoped at this time, after so much has been said, after the mature reflection and earnest study of the subject brought forward by the pending measure, that I, or even one more competent to speak, could offer anything for the enlightenment of the committee. I have no such ambition. My only excuse for asking the attention of the committee is the duty which I feel incumbent upon me, representing the people of one Congressional district of this great country, to speak in their behalf, in the expression of their convictions and in contention for their rights as they understand them, upon what they consider the most vital question that engages public attention. gages public attention.

them, upon what they consider the most vital question that engages public attention.

Too much has been said in crimination and recrimination in the division of parties on this subject. It is well known that the Democratic party, as well as the Republican party, is divided into two factions, each holding diametrically opposite opinions. Since the debate has begun gentlemen upon this side have deplored the fact that this discussion has been injected into the deliberations of the committee, and in doing so they are prompted by feelings which I admit are commendable in a measure, since they are hopeful of unity and concord in a party which we all love. But, sir, to my mind these injunctions are vain, and we might as well boldly meet the question which confronts us. It is one which will not down at any man's bidding, and we should at once recognize the fact that it is a battle to be fought out in the party, and I for one have nothing to disguise. So profoundly am I impressed with the importance of the question, and the justness of the contention of those who believe in the free and unlimited coinage of silver, that I hold it to be my duty to announce here and now that it is a question which admits of no compromise; and for one I intend, in my poor way, to strive to the utmost to commit the party to which I belong in its next assembly in convention, as it has committed itself in the past, to the free and unlimited coinage of silver. I am a Democrat and believe that the integrity of my party is vital to the welfare of our people under republican government. I should regret it as a great national calamity if that party should go into disintegration. I shall stand by it; and upon this question I have the more reason to do so in my belief that the best hope of the cause for which I stand lies in its success.

Mutual reproaches have been indulged in by gentlemen on account of recent events in the different States and the transferring of power from the Democratic to the Republican party. Particularly has this been so with

of power from the Democratic to the Republican party.
ticularly has this been so with reference to the State of Kentucky.

It should be platform. It Democrats have been charged with abandoning the platform. It has grown quite common all over the country for Democrats to declare that the national platform of 1892 was what they are pleased to term a "sound-money" platform, as opposed to the

free-silver view.

Mr. Chairman, I want to enter my solemn protest against the justness of this position. There is nothing in that platform which warrants the assertion; there is not a distinct declaration in it on the subject which does not declare for the free and unlimited coinage of silver. It declares that "we hold to the use of both gold and silver as standard money, and to the coinage of both without charge for mintage, and without discrimination against either metal." These are distinct declarations of the party that are, notwithstanding anything more that was said, susceptible of but one construction. And the subsequent clause in the platform which refers to the maintenance of the parity of the two metals, either by international agreement or by prudent safeguards of legislation, can not be understood to change their meaning, but free-silver view. legislation, can not be understood to change their meaning, but

only to indicate that by international agreement, if possible, bimetallism should be accomplished; and if not possible, then Congress should provide for it by law in the free and unlimited coinage
of both gold and silver, and by safeguards of legislation provide
for the maintenance of the parity of the metals.

Now, sir, I wish to ask in this connection if there has been any
effort made by anybody in the Democratic party opposed to the
free and unlimited coinage of silver, speaking in its behalf and
upon its responsibility, to put on foot any legislation looking to
the carrying out of the provisions of the platform which irrevocably committed us to the coinage of both gold and silver as
standard money without cost of mintage and without discrimination against either metal. Every effort at legislation upon these
lines has been met with obstructions, and when a measure passed
both Houses in a Democratic Congress which only went the small both Houses in a Democratic Congress which only went the small extent of providing for the coinage of the seigniorage, it was overturned by the veto power of the President.

turned by the veto power of the President.

It is not for me to criticise public officials as individuals and I wish to disavow any intention on my part to do so. Each one must act within his own responsibility, under his own convictions, responsible to his people and to the high court of conscience, responsible to his personal duty. As for myself, I am impelled not only by the obligation which my party has assumed but my personal conviction that the welfare of the people of this country who eat bread by the sweat of toil and who are engaged in honorable and what should be fruitful industry demands that the volume of redemption money should not be kept within the narrow limits of a gold basis. We are already living upon this basis, and we have long witnessed the constant narrowing of the volume of money which represents all the property in our country, in proportion to the rapidly increasing interests which demand its use.

The contention of those who believe in the free and unlimited

The contention of those who believe in the free and unlimited coinage of silver is that the constant downward tendency of prices of all commodities is due almost entirely to the fact of the elimination of silver from our money of ultimate payment, making gold the only money that measures values in trade and commerce at home and abroad.

home and abroad.

Having no intention of going into the discussion of the details of this question, I shall only refer to them in passing, in the brief time which I shall occupy. The points are not new. This question has been fought over for so long that there can be nothing new in it; but the forcible presentation of old arguments, which to my mind are irrefutable, it seems to me should be sufficient to continue each and all not only that to continue the present symmetric production. convince each and all not only that to continue the present system will constantly increase our distress and ultimately bring us to financial ruin, but also that the remedy is a prompt and resolute opening of our mints to gold and silver at a fixed ratio on

terms of perfect equality.

To those who have taken the pains to investigate in a careful way conditions which have resulted from the adoption of the single gold standard by the civilized world, applying their investigations to our own country, it is strange to me that the result is not appalling. Our friends upon the other side, always ready and watchful to attribute everything to the effect of a protective tariff system or the lack of it, have contended that our great difficulty is lack of revenue to defray the expenses of the Government and lack of confidence in the Administration of the Democratic party. They may convince manufacturers that such is the case, but I do They may convince manufacturers that such is the case, but I do not believe the country can be deceived. A surplus of revenue would not arrest the downward sinking of prices, dragging with them the prosperity of the people. The gold people in all parts of the country, particularly Democrats, have told us persistently that the difficulty was a lack of confidence on the part of the people, growing out of the fear that the Government would pay its debts in a cheap and discredited money. The President of the United States and the Secretary of the Treasury have uniformly used this argument, and reiteration of it has been constantly dinned into our ears here. into our ears here.

This was the excuse given by the Government for the contract entered into with the bankers' syndicate for the issuance of the entered into with the bankers' syndicate for the issuance of the bonds of January, 1895. We were told in a special message from the President, when asking for authority to issue bonds payable in gold rather than in coin, as the law now provides, that he would be driven to this expedient; that capitalists could not be induced to take the bonds on favorable terms when they were confronted by the possibility of having to receive depreciated silver dollars. But only a few days were required to make it obvious to the world that there never was the slightest ground for fear of the credit of the United States. And the quotations for the same bonds, payable not in gold but in soin, immediately afterwards showed beyond question that they could have been sold on such terms as would have saved the Government several millions of dollars that went into the pockets of the shylocks who have from the beginning reaped the benefits of this destructive financial system.

Mr. Chairman, there is no belief stronger in my mind than that the credit of this Government never has for one instant been impaired or shaken in the minds of the people of the world, and every

transaction of public business has made this manifest. Every gentleman who speaks for the gold standard in pathetic tints paints the picture of dishonor of this proud Republic repudiating her debts and paying less than her obligations demand. This, sir, is waste of sentiment. There is no man who believes with me on this question who for a moment assents to the idea of repudiation, or that anybody wishes to pay our debts with debased money. We hold it to be the right of the Government to pay its debts in the money of the contract, and that money is coin, either gold or silver, at the option of the Government. Many private contracts have been made for payment in gold. All others, either public or private, have been made, in view of the law authorizing payment in gold or silver, at the option of the debtor, and of the repeatedly expressed purpose of all political parties to return to silver coinexpressed purpose of all political parties to return to silver coinage. All the while gold has been rising steadily in value, making each year the dollar of debt harder to pay. Since and by demonstration its purchasing power has been almost doubled; and yet when we insist that the creditor should be compelled to accept the dollar of the contract, which he agreed to take, instead of this en-hanced dollar of increased value, we are charged with dishonesty and a willingness to dishonor our country.

We believe, sir, that the very moment the Government of the United States manifests its purpose in good faith to establish bimetallism by the opening of its mints to the free and unlimited coinage of silver the wide hiatus which has been created between the two metals by the policy of governments, by the demonetiza-tion of the white metal, will be closed up, silver going up to meet gold coming down. Increased demand for silver as money will send it up in the markets of the world, and the demand for gold being relieved by that much, it will descend to its normal place, side by side with the silver dollar.

presume at this time that there are very few individuals who will deny that gold has been enhanced in value. I know that the better informed of those people who have advocated the gold standard admit that there has been an enhancement of gold. No standard admit that there has been an enhancement of gold. No less a person than the distinguished Senator from Ohio [Mr. Sherman] has committed himself irrevocably to this idea. But they tell us that we are unable by legislation to inject value into a depreciated silver dollar. My friend the able member from Louisiana [Mr. Boatner] has even now reiterated that off-repeated statement. Cannot legislation undo that which it has already done? If legislation has deprived it of its value, reverse legislation, under like conditions, ought to restore it. It seems to me that is clear.

legislation, under like conditions, ought to restore it. It seems to me that is clear.

When we assert our belief in the possibility of restoring and maintaining the parity, the gold-standard advocates cry out with airs of triumphant confidence, "How are you going to do it? You have not told us how it can be done!" The answer has been given to them a hundred times. Open the mints to the free coinage of both metals at the ratio of 16 to 1, thereby creating a demand for every ounce of silver bullion in the world for money use, and the rate fixed for the ratio will fix the price of the bullion wherever it. rate fixed for the ratio will fix the price of the bullion wherever it is in existence.

If the answer is not sound, is not correct, it then furnishes ground for argument, for legitimate discussion. But gentlemen are content to waive it aside with contemptuous expression, and do not even attempt argumentative answer. It will not be necessary to have the silver coined to give it the vitalizing growth in value; the fact that it can be coined will impart it.

The theory of overproduction has been so thoroughly and satisfactorily exploded that nobody can stand on it consistently for a moment. If legislation could take its value away, I insist, sir, that reverse legislation can restore the value which has been taken from it. We do not rely upon the force of argument alone that this will be true; we have experience to enlighten our minds. We have witnessed whenever there has been any legislation tending in any wise to increase the use of silver as money that silver as a commodity has responded with sensitive alertness and has invariably gone up in the markets. Was it not so when the Bland-Allison Act was passed providing for the coinage of \$2,000,000 worth every month? And when there had been a slight retrogression and the Sherman law was passed in 1890, repealing the provisions of the Bland-Allison Act and substituting the purchase of 4,500,000 ounces instead, was there not an immediate and instantaneous increase in the value of silver in the markets of the world?

Let me give an object lesson on this point. At the time the silver-purchasing law of 1890 was passed I was representing the United States Government at a foreign court. At the time of the Japan. Under the regulations of the Department of State I was in the habit of drawing my drafts on the Secretary of State for gold. Gold not being in use in that country, I converted these drafts into silver dollars, Mexican dollars or Japanese yen, which were of about the same value, to defray my individual expenses and the expenses of the legation in my charge. At the time I had some drafts in my possession, drawn on the Secretary of State, for gold dollars, and took them to the Hongkong and Shanghai bank to convert them into silver dollars. When I presented them the cashior smiled and said, "You ought to have come yesterday." Upon asking why, he said, "The Sherman law. We have just received news that the Sherman law has been passed and silver has gone up, and you lose about 4 per cent on your drafts." Will gentlemen now tell us that legislation does not affect the value of silver, if the legislation which made so slight an increase in the process of the state of t use of silver affected it to this extent, not in the United States, not in the adjacent countries of Europe, but at the other end of the world, whose night is our day and whose twilight our dawn?

[Applause.]
Why, sir, it responded instantaneously to our legislation and illustrated the truth of what was said by the Paris commission of 1868, composed of six bimetallists and six monometallists, that any country of sufficient commercial importance could, by the enactment of law, maintain the parity between gold and silver at a fixed ratio, not only in the country passing the law, but throughout the civilized world. But we are answered that silver did not remain up, but again declined. That is true, but not as is claimed. There may have been a slight actual decline in the value of silver, because the increased demand for it was as a commodity, not as ultimated. mate money. But if its increased value had remained steady and stationary, the value of gold did not, but continued to rise steadily higher in comparison with all commodities, silver included, because with increase of business there was a constantly growing demand for it as the only money of final payment, the only measure of values. Silver practically kept its place side by side with all other commodities, the purchasing power of an ounce being as great as it had ever been until the repeal of the Sherman law and the closing of the Indian mints against it in 1893.

Suppose, Mr. Chairman, instead of providing for the purchase of 4,500,000 ounces of silver, our Government had thrown open its

mints, increased its minting facilities, and fixed the ratio at 16 to 1, or any other reasonable ratio. The powers of our country are so great, its people so multitudinous, its interests so varied, its energy so unlimited, its wealth so unmeasured, its resources so extended, there can be no doubt that from that moment we would fix the gold price of silver in the United States at a parity with gold, and would thus control its price in every country of Europe and throughout the Orient in accordance with the price in the United

Mr. Chairman, America is great—the greatest of nations—I have no disposition to indulge in vaunting adulation of my country, but it has been truly said, and the statement is supported by the testimony of the most enlightened and learned scientists, that America possesses more wealth and greater population and more vital energy than the whole of Great Britain, Germany, and France, to say nothing of the Latin Union. And yet the Latin Union maintained the parity between the two metals and kept silver in the United the parity between the two metals and kept silver in the United States at a premium over gold, and for no other reason than the difference in the ratio, France coining it at the ratio of 15½ to 1, while the ratio in the United States was 16 to 1, and this after other nations had dishonored it. I do not admit, sir, that any nation on earth is more capable of accomplishment, of achievement than ours, and to those who declare themselves bimetallists, but are deterred from supporting the principle by fear that we can not maintain the parity, I point to the experience of countries that have put it to the test.

can not maintain the parity, I point to the experience of countries that have put it to the test.

I have followed my friend from South Carolina [Mr. Elliotr], who has just taken his seat, who, having responded to his duty, as he sees it, of giving voice to the sentiment of his people, says that they are in favor of "sound money." He insists that we can not leave the gold standard. We must have "sound money." I desire to protest, Mr. Chairman, in behalf of my people against the use of that expression. We, too, want sound money, but we say that that money which is forcing constantly downward the prices of of that expression. We, too, want sound money, but we say must that money which is forcing constantly downward the prices of everything our people have to sell and depriving them of the just profits and remuneration of their labor is not sound money. [Applause.] We want the money which has been promised to the plause.] We want the money which has been promised to the people of this country by every party that has dared hope for their support, bimetallic money. We want gold and silver; not silver as used at present. It is no answer to us to say that under the support of the same of the sa present system of financial affairs more silver dollars have been coined than heretofore in our history. They are not coined as ultimate money, and that is what we demand; that the volume of money which measures the values of things which the people of the country have to sell shall be increased, shall be restored to where it was before silver was "stricken down." I use that expression which has been criticised upon the other side of the Chamber.

Mr. Chairman, my friend from South Carolina says that his people believe in "sound money," meaning gold money, because, he says, our trade is with gold-money-using countries, the countries living by the gold standard; and he says that the people of the South, planters and producers, would be embarrassed by the adoption of gold and silver as standard money if, as the result of that, there should be a confusion of exchanges in the course of the transaction of their business. present system of financial affairs more silver dollars have been

The gentleman asks, "With whom do we trade? Do we trade with silver-using China and Japan, or do we trade with the countries of Europe that have adopted the gold standard?" Mr. Chairman, America to-day trades with the world. She does trade with China and Japan, and with Mexico and the South American States; and while she sends her bales of cotton to Liverpool she sends her bales of the manufactured products, her kerosene, and many other commodities to China and Japan, Mexico and South America, which are sold in those markets; and those who expect America, which are sold in those markets; and those who export and sell them in those countries receive the profits of their venand sell them in those countries receive the profits of their venture. They sell them to silver-using countries at silver prices, having paid gold prices here. But does anybody suppose for a moment that they lose the difference between gold and silver in this exchange? They sell for silver prices; and those are converted into merchandise, which is sold for gold prices in this country. Commerce is maintained in a healthful condition throughout the whole transaction, just exactly as when we had a depreciated currency in this country after the war, when in one of our most prosperous periods we conducted foreign commerce without any detriment, but with profit to our trade.

[Here the hammer fell.]

Mr. WILLIAMS. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Arkansas be extended.

the time of the gentleman from Arkansas be extended.

There was no objection. Mr. DINSMORE, I th I thank my friend and the committee for

further indulgence.

Mr. Chairman, those who worship at the shrine of the golden caif are fond of reasoning thus: They say we can not establish and maintain the parity of gold and silver dollars, and that the result will necessarily be two dollars, a good dollar current throughout the world and a bad dollar good nowhere, but one which our people will be forced to take; that the bad dollar will drive out the good dollar and leave us nothing but debased dollars. But that, nevertheless, many of the debts of the people being made payable in gold, they can pay in no other money; while they can never receive any other than the debased silver dollar for what they have to ceive any other than the debased silver dollar for what they have to sell. Illustrations are indulged in. For instance, they say the importer will contract with the planter for 100 bales of cotton at the market price and force him to take payment in depreciated silver dollars. He will then take the cotton to Liverpool and sell it for gold, convert it into silver, and repeat the operation; the gold advocates assuming that the farmer loses the difference between the silver dollar and the gold one and that the importer gains it.

Are these gentlement silvered? In that argument ingenuous?

Are these gentlemen six cere? Is that argument ingenuous? Let us say, and I by no means admit it except for argument, that we are mistaken and that we could not create or maintain a parity; that the gold would go out and leave us on a silver basis. What will happen? They tell us that our silver dollars would only have a commodity value measured in gold. If so, they will stand in the same relation to gold as cotton and all other commodities; and the price of cotton on the plantation in the United States will be fixed in silver with reference to the market relation States will be fixed in silver with reference to the market relation between silver and gold, because the Liverpool market, fixing the price of cotton in gold, will control and fix the silver price of cotton in the United States. Hence the farmer will get enough silver dollars for his bale of cotton to equal the value of gold dollars obtained for it by the exporter less the latter's profit and the cost of handling and transportation. A tyro in business would recognize this fact; yet our friends ignore it and argue otherwise. If it is a fact, what has the farmer lost? And what has the exporter gained? Obviously nothing. But the whole people have received the benefit of an increased volume of money and have lost the benefit of not a single gold dollar, because it is the money in the world and not in the United States alone—ultimate money, money of final payment—that measures our values. Locke expressed it of final payment-that measures our values. Locke expressed it in this way:

The value of money in general is the quantity of all the money in the world in proportion to all the trade.

The value of money in general is the quantity of all the money in the world in proportion to all the trade.

Again, it can not be denied—will not be by any intelligent person of fair disposition—that even if we should fail to advance silver to a parity with gold, the value or the purchasing power of the latter metal would be at least greatly reduced, resulting in increased prices and a more just relation between debtor and creditor. Our friends are not appalled by the fact that though our exports of farm products have more than doubled since 1873 they return to us less money than then. They say it is overproduction, yet investigation discloses that consumption is decreased per capita. They say there is an overproduction of wheat, yet it is known and admitted that the wheat-eating people of the world consumed per capita one sixth of a bushel less than in 1881, when our crop brought high prices in the markets. This is true of other farm products. When confronted with these facts we are told to wait yet a little while longer until "confidence is restored," and that then all will be well. But while we wait for confidence, though in profound peace with all the world, we must issue bonds every few months, imposing a heavy debt upon posterity as a result of our own folly.

The people are tired, Mr. Chairman, awaiting the fulfillment of the prophecies of the gold theorists in this country. We were told that prosperity would follow immediately upon the repeal of the obnoxious Sherman law, but relief has not come. We were promised revival of business and prosperity, but the revival did not revive, and prosperity lagged; and though God has blessed in a brondernly in every provision of nature the stagration of our in abundantly in every provision of nature the stagnation of our in-dustries and the languishing of our people cry aloud against the present ruinous system, that fulfills no prophecy of good but every one of evil, and demand the redemption of promises and the consummation of our hopes and ambitions by legislative provision for the promotion of the public weal. Even experiment would be better than the existing vicious system, which stands in the path of our welfare.

Now, in conclusion, Mr. Chairman, I do not deny that the return to the bimetallic standard would lessen the profit of the people who hold the debts resultant from those debts. I do not deny that it would lessen the amount of the toll which the capitalists of the country levy upon those who labor and delve; but the fact of their less is the gain of the laborary and delve; but the fact of the country levy upon those who moor and delve; but the fact of their loss is the gain of the laborer and producer and the debtor. Their loss is but the just relinquishment of unearned gains acquired by the increased value of money. To my mind, sir, it is abhorrent that idle money should draw interest to its holders from poor debtors. Under a healthful and just system no money can be seen profit other than active given invested money.

oarn profit other than active, circulating, invested money.

The justness of our demand, moreover, lies in the terms of the contract and assurances which have been given the people of this country that silver and gold should be the money of final redemption. In the name of my people I demand it. I can submit to the taunts of those who tell us we have not progressed. I have no ambition, sir, to be that kind of a progressionist. I am not a financial processionist in that sense upon the light contraction. ambition, sir, to be that kind of a progressionist. I am not a financial progressionist in that sense, nor am I a financial contortionist. I plant myself firmly and erect upon the Constitution of my country, which declares gold and silver to be the money of our people—the Constitution from which Webster said, in speaking of this particular provision of it, that neither any State nor Congress could take anything away. I stand upon the platform of my own party, which has declared for bimetallism and promises, and in their name demand their fulfillment; and never, Mr. Chairman, will I yield my influence to failure to perform them and carry out our plighted pledge in letter and spirit to a full consummation. [Applause.]

Coin Redemption Fund.

SPEECH

HON. H. ST. GEORGE TUCKER, OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 6, 1896.

The House having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. TUCKER said:
Mr. SPEAKER: I can not give my sanction to the bill now before
the House, though I should be very glad, if opportunity presented,
to vote for the second, third, and fourth sections of the bill.

I have been unable, with the best thought I could give to the subject, to bring myself to the conclusion that the "free and unlimited coinage of silver at a ratio of 16 to 1" by the United States alone, under present conditions, would be of any benefit to the people of the country or consistent with good financial legislation. The key which seems to me should unlock the door to the judgment of every man in this House upon this question is this: Would such a step by the United States alone bring the value of the silver in the silver dollar up to par? For it is admitted that to-day the silver in the silver dollar is worth, commercially, only about 50 cents, while the gold in the gold dollar is worth 100 cents; that is, if a man takes a silver dollar and with a hammer mutilates the again to the Goldson of I instrument of the content of the co eagle or the Goddess of Liberty on its face and takes the mutilated coin into the market he can get only about 50 cents for it; but if you mutilate the gold dollar in the same way and take it to the sil-

versmith you can get 100 cents for it.

Now, if the free and unlimited coinage of silver will increase the value of the silver to the silver dollar or so diminish the value of the gold in the gold dollar as to bring them together at par so that the one would be intrinsically the equal of the other, then indeed would the free coinage of silver be, in my judgment, a blessing to the people of the country. But if such action should fail to bring

the commercial value of the two together, as I confidently believe would be the case, its enactment into law would prove equally disastrous to the country; for, Mr. Speaker, it would be putting upon the country two dollars of unequal value, the one worth a dollar and the other less.

What is meant by the ratio of 16 to 1?

When the Government was first organized, after the adoption of the Constitution, and gold and silver were recognized in that in-strument as the money of the people, Mr. Hamilton, as Secretary of the Treasury, was called upon to formulate a plan by which gold and silver could be coined. He ascertained that in the commercial world gold was worth about fifteen times as much as silver, and therefore he concluded (in which Mr. Jefferson concurred) that if fifteen times as much of silver was put into a silver dollar

that if fifteen times as much of silver was put into a silver dollar as there was of gold in a gold dollar the two must be equal. From the very beginning of our Government, therefore, it was recognized that the gold and silver dollars in order to circulate freely among the people must be of equal intrinsic value.

So primal was this principle that in 1837, when the commercial value of silver and gold seemed to have changed, the Government deemed it necessary to change the ratio from 15 to 16 to 1, and that ratio has remained to this day. The Government, not only in 1790, when the ratio of 15 was first established, but in 1837, when the capability of the metals in any sound financial scheme, and yet, with this of the metals in any sound financial scheme, and yet, with this principle imprinted upon the very first coinage act of the Government and reasserted in 1837, it is now sought to be whistled down by the suggestion that the ratio adopted in 1837 of 16 to 1, when silver was worth \$1.29 an ounce, is a proper and suitable ratio today for the free and unlimited coinage of silver, when an ounce of

silver is worth only about 65 cents.

silver is worth only about 65 cents.

But some one will ask me, and is now prepared to propound a question, which I will anticipate, "Why should this be? The silver dollar of to-day you have just stated contained only 50 cents worth of silver, and it is recognized on all hands and received in business and all commercial enterprises just as a gold dollar is received. If so, then why would not the dollars which would be coined under a free and unlimited coinage act, though worth only are to the gold and the property compared to the gold large. coined under a free and unlimited coinage act, though worth only 50 cents commercially and as bullion, be equal to the gold dollar as the silver dollar is to-day?" The answer is plain and evident. We have of silver dollars to-day 430,457,987, and the mints are closed against further coinage of them, except to a very limited extent, and the Government, which pays out about \$500,000,000 a year in the conduct of its operations, has agreed to accept and receive each one of the silver dollars now coined at its face value whenever presented to the United States Treasury, and has pledged its faith by law and otherwise to do all in its nower to keep the its faith by law and otherwise to do all in its power to keep the two metals at a parity. In other words, the Government has gone security for them.

The dollar has 50 cents of intrinsic value in it, and the Government has practically said by its action, "I will go security for the other 50 cents." If the Government allowed the silver dollar to stand on its own merits or on its own inherent value it would today be worth but little more than 50 cents. Take away the Government prop and down it would go. But in order that it may be used among the people, the Government has, in effect, put its name to the obligation, so that wherever it goes in the commerce of the country it promises to see that it shall be worth a dollar to every person that accepts it, and it boldly stands out as the guarantor of its solvency. But such would not be the case under the free and unlimited coinage of silver at a ratio of 16 to 1, for the Government would be no longer the guarantor or responsible for its solvency, and the silver dollar would stand no longer with the Government back of it as its security, as it does to-day as to those we have, but would stand on its own intrinsic worth and its own inhave, but would stand on its own intrinsic worth and its own inherent value, as the gold dollar does. But even if the Government were to undertake the same relationship to an unlimited number of silver dollars, as contemplated by this bill, which to-day it occupies toward a limited number, its security would not be sufficient to keep them at par, for its plighted faith, however sincere, could never be equal to the unequal task of maintaining at par an unlimited number of depreciated dollars with limited credit. Every gentleman must understand this distinction.

My friend who, sits before me is worth \$10,000. He ower me

My friend who sits before me is worth \$10,000. He owes me \$5,000, and I gladly and willingly take his note for it, knowing it to be good. But can it be said that because the gentleman's note of \$5,000 to me is good his note for the same amount to 10, 15, or 20 gentlemen around me would be equally as good? Or could it be contended that because the \$5,000 note to me is good an indefinite number of \$5,000 notes issued by him would be good? You see at once that there is a limit to his credit, and that limit is gauged by the proportion of his obligations to his assets, and so it

with the Government. If, as I have said, the Government in effect goes security for the 430,000,000 of silver dollars we now have out, and they are thereby made equally as good as gold, could the Government undertake to carry an unlimited number of silver dollars with only a limited credit? This being the case, and I think the facts can not be successfully denied, the question again recurs, could the United States alone among the nations of the world by its action maintain the free and unlimited coinage of silver at a ratio of 16 to 1 and keep the two metals at par? Now I do not subscribe to the doctrine so often advanced that if we had the free and unlimited coinage of silver at 16 to 1 the dollar resulting from it would be a 50-cent dollar, but I contend that it would be a dollar less in value than 100 cents.

It can not be denied that if you take from a substance one of its qualities or one of its functions that substance will be diminished value to the extent of the value of the quality which you have

taken from it.

Equally true will be the fact, under like conditions, if that qual-Equally true will be the fact, under like conditions, if that quality or function is put back into the substance, its normal value will be restored. This, it seems to me, is a common-sense principle; and so we are met with the argument that under the act of 1873 the Republican party took away from silver one of its most important, if not the most important, quality it possessed, namely, that of being made into money freely and without limit, and that, therefore, silver has gone down in price until to-day it is worth about one-half of what it was in 1878.

This argument would be conclusive to my mind if the condi-

is worth about one-half of what it was in 1873.

This argument would be conclusive to my mind if the conditions were the same, but no student of this question can look at it for a moment without seeing that the conditions are absolutely and entirely changed. In 1873, at the time of the demonetization of silver, the silver in the silver dollar was worth \$1.03. Since the act of 1873 it has constantly gone down; but why? Since 1871 Norway, Russia, Sweden, Denmark, France, Greece, Italy, Roumania, Switzerland, Bulgaria, India (who annually consumed \$40,000,000 of silver), and the United States, have refused to admit silver to their mints for free and unlimited coinage. If, then, it required the powerful cooperation of those great countries with it required the powerful cooperation of those great countries with the United States to keep silver at a par with gold in 1873, how can we expect the United States alone to do to-day what it required them all to do in 1873?

them all to do in 1873?

Now, let me illustrate, so that gentlemen may not misunderstand me. If I offer my friend here a horse for \$100, and he agrees to take him at that price, and just as the bargain is about to be concluded I say to him, "I sell you this horse on one condition, and that is that you are not to plow him," my friend will answer at once, "I like the horse; I think he is worth \$100; I am willing to give you that sum for him; but one of the chief values of the horse is to plow with him, and if you put that restriction on him, that he is not to be plowed, I can not give you the \$100 for him, but I can only give you \$50."

If, however, I yield to my friend and take the restriction from the horse and say you may plow him, the value which has been taken from him will at once be restored; and so if the United States in 1878, after the demonstization of silver, which tended to destroy one of its nicst valuable qualities, had immediately or shortly after by the action of the Congress restored it to its original free-coinage privilege I doubt not that the value which had been taken from it by its demonetization would have been immediately restored, at least for the time. But let me carry my illustraately restored, at least for the time. But let me carry my illustration a little further: Three years ago a gentleman came to this city with a horse to sell. He went to a dealer who, after examining the horse, agreed to give him \$150 for him. During his stay in the city he had noticed the cruelty exhibited toward horses which were working in the street cars, and after the bargain had been struck he said to the dealer, "I must make one condition on the sale of this horse, and that is that he is not to be worked in the street cars." The dealer said, "I can not give you the \$150 for your horse, though it is worth that, because one of the chief values of horses in this city is that they can be worked in the street cars," and so my friend took his horse back home. Last week he came back with the horse, and though the horse was three years older, his condition was even better than it was when he first presented him to the dealer, but when he went to the three years older, his condition was even better than it was when he first presented him to the dealer, but when he went to the same dealer and told him that he had brought him the horse for which he had offered him \$150, and that he was willing to take the restriction from him that had been imposed when he was here before, the dealer at once replied, "Three years ago I was prepared to give you your price for the animal, but to-day the conditions have entirely changed. Whereas all of the street-car lines in the city were propelled by horsepower three years ago, to-day there remains but one, as electricity and the cable have supplanted the use of the horse."

the use of the horse."

This illustration gives the exact condition of silver in 1873, twenty-three years ago, and to-day. The great nations of the world which I have just enumerated, including the United States, all declared against the free and unlimited coinage of silver, which action tended to destroy its value. Now, then, can its value be restored to-day by the action of the United States alone, when the demand for silver has been so circumscribed and cut off by all of the great countries of the world by refusing it admission to their mints?

This, Mr. Speaker, is the test which controls my vote on this bill.

If I could believe that the action of the United States alone

would bring the intrinsic value of the silver dollar up to par. I should welcome it as one of the most important measures that could be brought to the attention of the American Congress. More than that, sir, I would vote most cheerfully, as I have done before, for any measure looking to the free and unlimited coinage of silver, with the addition of enough silver to the dollar to make

it the equal of any other dollar.

I believe that the present bill would tend to increase the value of the silver in a silver dollar. But how much? Can any gentleman here tell how much? Would it go to 60, 65, or 70 cents? No human eye can discern the point, and no human wisdom has been able to fix it. It is all empirical—experimental. It is an untried sea upon which we are asked to embark. The safe, conservative policy is to give to the country only a dollar that is worth a dollar and not one dollar worth 60 cents. another worth 100 cents.

another worth 100 cents.

For ten years prior to 1873 the average amount of silver mined in the world was about fifty millions, and silver then sold at \$1.29 an ounce. For the year ended June 30, 1894, the world's product was two hundred and seven millions, and it is a recognized fact that where the supply of an article is increased and the demand remains stationary the price must fall.

What then was the said of a condition that shows the appeal

What, then, must be said of a condition that shows the annual increase of silver in the world from fifty millions to over two hundred millions, while the great countries which I have just enumerated have declined to use it, and thereby diminished the annual

demand for it \$40,000,000.

And, indeed, the increase of the production of silver in the world in its relation to gold has been no less instructive, for in 1873 the world's production of silver amounted to \$31,000,000, and of gold \$96,000,000. In 1894 the world's product of silver amounted to \$216,000,000, while that of gold was \$180,000,000. That is, while the production of gold increased not quite double in that time, that of silver was nearly trebled; or if we look only to the product of the United States at those dates we find that in 1873 \$35,000,000 worth of silver was produced by our mines and \$36,000,000 worth of gold, while in 1894 we produced \$64,000,000 worth of silver and \$39,000,000 worth of gold—that is, the increase of silver between those dates is nearly 90 per cent, while that of gold is only about 10 per cent.

So that while we believe the demonetization of silver in 1873 by the Republican party of itself did seriously affect its value, it will not be denied that the great increase of silver in the world and in the United States in its relations to gold must be considered among the causes which have produced the decline in the

But it is urged by some gentlemen around me that so great and powerful is the United States and so extensive is the development of her resources in various directions that the demand for silver or her resources in various directions that the demand for silver by the United States alone, without the cooperation of other nations, would be such as to rectore it to a parity with gold. It must not be forgotten that in 1873, when silver was demonetized, only 8,030,000 silver dollars had been coined in the entire history of our country. It is true this did not represent the entire amount of silver used by this country, because the Spanish dollar was for a number of years in constant use, but it at least represented the demand of our country for our silver bullion for columns purposes. demand of our country for our silver bullion for coinage purp since 1873, when silver was denied admission to the mints freely, under the various limited coinage acts which we have had, about 430,000,000 silver dollars have been coined. We have coined and used and are now using about seventy times as many silver dollars as were used in the country from 1790 up to 1873, and in spite of these startling facts the price of silver has fallen from \$1.20 an ounce to about one-half of that, or from a ratio of about 16 to 1 to a ratio of about 32 to 1.

What now, I ask, would be the effect of the adoption of such a measure, which, as I have sought to prove, would result in the circulation of two dollars of unequal value? Who would it bure? Who would it bure? I claim, without fear of successful contradiction, that if such a measure should become a law banktradiction, that if such a measure should become a law bank-ruptcy and ruin would mark its adoption, and to every man in the country who is laboring under a load of debt it would be the beginning of the end. The laboring man would be the first to feel it. His wages would be paid him in the depreciated dollar, and his sweat would be coined into poverty and misery instead of comfort and happiness. The farmer would be the next to feel it in the payment to him for his produce in the cheaper money. The merchant would be the next to feel it in the exchange of his goods for a depreciated dollar. The last of all to feel it would be the capitalist and banker, who is always able, in any contention, to take care of himself.

Suppose it were possible next November to elect a President in

Suppose it were possible next November to elect a President in favor of the free and unlimited coinage of silver at a ratio of 16 to 1, and with him a Congress favorable to his views, what would be the effect? A man who then owed a thousand dollars payable in the gold or silver dollar of to-day would have to meet his creditor at the court-house at the next rule day in his demand for the payment of the bond because of the creditor's fear that if he waited to collect his debt until the free-coinage bill became a law he would have to accept the depreciated dollar for his debt. No extension of time would be given for the same reason. The election deciding the question would have been held in November, 1896, and the Congress would meet in December, 1897. The whole world would know what such a Congress and such a President would do. Eighteen months, at least, would probably elapse between the election of the President and Congress and the time in which the free-coinage bill could go into effect. That eighteen months would be strewn with the wrecks of bankruptcy and ruin. Every man that holds a bond against his neighbor would endeavor Every man that holds a bond against his neighbor would endeavor to collect it. Every mortgage upon the home and every trust deed upon the cabin would be enforced. The auctioneer's flag would be hoisted on every stile. No renewals of debts would be thought of. The fear of their payment in depreciated money would stop further indulgence, and the bill which had been looked forward to by many as the solution of all troubles and the panacea for all woes would be the source of their keenest torture and the consummation of their ruin.

The bank or the capitalist who lends money is not actuated by

The bank or the capitalist who lends money is not actuated by charitable motives in the lending. It is done to make more money. Can anyone doubt, with the fear of loss impending in the payment Can anyone doubt, with the fear of loss impending in the payment of his debt, that each creditor would be swift to see that his judgment lien was first upon the docket, while decrees of sale of "the old homestead" in every neighborhood would fill the land with "lamentation and weeping and great mourning"?

The only hope of the debtor class to-day is to tide over the hard times without being compelled to liquidate. Force them to pay up, as this bill would do if enacted into law, and their destruction would be certain.

would be certain.

GREENBACKS OUGHT TO BE REDEEMED IN COIN.

The fourth section of this bill, which I should be glad to vote The fourth section of this bill, which I should be glad to vote for, practically requires the Secretary of the Treasury when greenbacks are presented at the Treasury for redemption to pay out gold and silver alike. In round numbers we have to-day \$350,-000,000 of greenbacks as currency, which are debts against the Government, but, unlike the note given by one man to another for a debt, they are not canceled when redeemed by the debtor (the Government), but by a specific law are required to be reissued. When a man pays his note of a hundred dollars to his neighbor the note is canceled and the debt extinguished. When the Government pays a hundred dollars in greenbacks by redemption they are not canceled, but by law are required to be reissued. tion they are not canceled, but by law are required to be reis son they are not canceled, but by law are required to be reissued in the payment of the current expenses of the Government. So that the greenback is, under existing law, a continuing obligation of the Government, which is being continually redeemed and reissued. By paying them the Government is not relieved of its debt, because it is required to reissue them.

These greenbacks, by a law of Congress passed in 1869, are payable by the Government in coin, which means gold or silver, but, he acceptance of the Treasury Department, which he existed

by a construction of the Treasury Department, which has existed for some fifteen years or more, the "coin" has been construed to mean gold at the option of the holder, as if an obligation by one man to another to pay a hundred bushels in grain must be paid in wheat, and not in corn or oats, at the option of the holder of the note. This construction of the Treasury Department, in construing the word "coin" to mean gold, at the option of the holder, is sought to be justified on the ground that such action is necessary

in order to maintain the parity between gold and silver.

In addition to the greenbacks, under the Sherman law of 1890 (which the Fifty-third Congress promptly repealed), there have been issued by the Government \$150,000,000 of obligations, known as Sherman notes, also payable in coin. By the same process of construction these notes are redeemable at the option of the holder in gold. So that there exists to-day \$500,000,000, in round numbers, of outstanding obligations of the Government payable in coin, but by said construction held to be payable in gold at the option of the holder.

RAIDS ON THE TREASURY.

The trouble which the Treasury Department is suffering from, and has been suffering from for the past few years in the maintenance of the gold reserve for the redemption of these notes, is due, in nance of the gold reserve for the redemption of these notes, is due, in my opinion, to the construction put upon the word "coin" by the Treasury Department, first under a Republican Secretary of the Treasury and since uniformly followed by his successors. The process is simple: The greenback is presented to the Treasury, the holder demanding gold for it; the gold is paid, the Treasury Joses it, and gains in its stead the greenback for which it was exchanged. If the process stopped there it would be all right, but the law requires that the greenback which has been redeemed at the expense of an equal amount of gold taken out of the Treasury must be reissued, when it speedily falls into the hands of the speculator, and he brings it back to the Treasury to take out its equivalent in gold again, and so the process continues, and becomes an endless chain, or an endless raid upon the Treasury by the speculator, and an

audacious attempt to break down the credit of the Government.

To meet this trouble and to preserve the gold reserve it has been earnestly contended that the greenbacks and Sherman notes should be retired permanently by issuing \$500,000,000 of gold bonds with

which to cancel them.

This proposition is not only one which I believe fraught with great danger to the people, but it is admitted on all hands that it can not in the near future be accomplished by any party. The distinguished Secretary of the Treasury in the last Congress proposed a bill which would have greatly relieved the situation, if posed a bill which would have greatly relieved the situation, if not entirely, providing for the retirement of the greenbacks and the substitution of State-bank issues in their place, but it hardly received a respectful consideration from either party in the country, so that it seems to be a settled fact that at least for two or three years, under present conditions, nothing will be done to retire the greenbacks, and we are to stand in the same position in which we find ourselves to-day, for the present Congress seems both nursilling and afraid to progress and received to the present congress seems both unwilling and afraid to suggest any remedy.

THE PRESENT QUESTION.

The question is, Can the country afford to continue its present mode of procedure, issuing bonds to secure gold to put into the Treasury to preserve the gold reserve, which may be in twenty-four hours taken out of the Treasury, and a demand for an additional sale of bonds be made at once to replenish that which is already gone? In other words, can the country stand what may be the unlimited mortgaging of the revenues of the Government for the future to obtain gold which may be taken from us the day after it is put into the Treasury?

The credit of an individual may be lost in two ways—first, in his failure to pay his obligations as agreed, or secondly, in mortgaging his assets or estate so that in the near future he will be gaging his assets or estate so that in the near future he will be unable to pay. The condition presented to-day is just this: If the Government fails to pay its obligations in gold, as claimed above, by reason of the failure to maintain the gold reserve, it may go to protest. If the Government, in order to pay its obligations in gold, mortgages its revenues indefinitely for the future by bond issues, its credit will be as certainly destroyed as if it failed to-day to pay its obligations in gold. The one is just as certain as the other. There is no escape from it. What, then, should be done? What, then, is the remedy for the Treasury Department, the object or plunder by the speculators? It is this, to firmly and positively announce that the raids made upon it for personal aggrandizement at the expense of the public credit must stop: positively announce that the raids made upon it for personal aggrandizement at the expense of the public credit must stop; and that a presentation of the Government's obligations, payable in coin, will be met by coin, as agreed upon in the contract—that is, in gold and silver. Such a process under any circumstances could not be considered a breach of public faith. Such a process, as against the studied and settled policy of the speculator to fleece the Government, would be only just and proper.

SYSTEM IN FRANCE.

The Bank of France, until the past few years, has carried more silver than we did, and yet it reserved the right to pay its obligations in both metals, not according to the option of the holder, but according to its own option. A distinguished member of the present House of Representatives has told me that in presenting a £600 note of the Bank of England at the Bank of France, in Paris, he was required, before the gold was paid him, to state for what purpose it was desired, the officer telling him that if the money was desired for domestic purposes he would be paid the money was desired for domestic purposes he would be paid in gold and silver, but if desired to pay a gold debt, he would be paid in gold.

It is inexplicable to my mind to see how the payment of an obligation of the Government in silver or gold, according to the terms of the contract, could be a departure from the letter or the spirit of the obligation. It has been the boast of our Government that though the intrinsic value of the silver dollar to-day, of limited coinage, amounting in round numbers to 500,000,000 in circulation among the people, is only about one-half of the value of the gold dollar, it has yet been preserved at a parity with the gold dollar, and passes current with it in all exchanges. If such be -whatever be the reason assigned for the fact-that the gold and silver dollars are on a parity, which means equality, why should not the silver dollar be paid on the obligations of the Govshould not the silver dollar be paid on the obligations of the Government, which, at least, are in part redeemable in it, according to the letter and spirit of the contract? Why should the Government refuse to pay out on obligations due by it the same money it receives on obligations due to itself? To refuse to pay it is to deny the parity; but the parity is admitted by all, and if admitted, then it should be so paid. On the other hand, to refuse to do so is to launch the Government on the dark sea of bond issues, the limits of which no human eye can discern, and to leave to our children a heritage of debt which, "anticipates the labor of coming children a heritage of debt which "anticipates the labor of coming ages and appropriates the fruits of it in advance; which coins the industry of future generations into cash, and snatches the inheritance from children yet unborn. Mr. Speaker, I will go with gentlemen in doing everything pos-

sible consistent with sound reason to restore silver to its position as primary money. I would gladly vote for the coinage of the seigniorage in this bill (as I have done before) were it disassociated from the objectionable feature of the bill. To the silver dollar we now have I would give the fullest recognition, and deny to it no power or capacity accorded any other dollar in the land. But I can never vote for a bill that would create one dollar less valuable the processor of the silver dollar less valuable that a posterior of the silver dollar less valuable that a posterior dollar less valuable that the dolla able than another, and I stand ready at all times to vote for any bill to legitimately increase the volume of currency and create a dollar which shall be the equal of every other dollar in the land. To do otherwise, with my belief of the result, would be little short of criminality.

Believing, therefore, as I do, that the enactment of this bill into law would result in the impoverishment and bankruptcy of the people whom I represent, and the destruction of the public as well as the private faith, I can not give it my sanction.

Extermination of the Alaska Seal Herd.

SPEECH

OF

HON. MARTIN N. JOHNSON,

OF NORTH DAKOTA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, February 25, 1896.

The House having under consideration the bill (H. R. 3206) to amend an act entitled "An act to prevent the extermination of fur-bearing animals in Alaska," and for other purposes—

Mr. JOHNSON of North Dakota said:

Mr. SPEAKER: The report (No. 451) of the Committee on Ways and Means on H. R. 3206, "A bill to amend an act to prevent the extermination of fur-bearing animals in Alaska," concludes with the following language:

Your committee therefore unanimously recommend the passage of the accompanying bill.

That is true. There is no minority report, and no opposition, factious or otherwise, to the passage of the bill. It does not follow, however, from this unanimity of conclusion that there is any unanimity of opinion as to whether the effect of the bill, if it becomes a law, will tend to the preservation or the extermination of the seal herd. For my own part, I am frank to say that I believe the effect will be to facilitate the extermination of the herd promptly, "decently, and in order."

I do not know what the chairman believes on this point, but his testimony agrees with my belief.

On page 18 of the official report of the hearings, February 18, 1896, we read:

1896, we read:

Mr. Hopkins. This bill will result in the extermination of the seals?
Mr. Dingley. Yes.
Mr. Hopkins. And put an end to the policing of Bering Sea and that ex-

pense?
The CHAIRMAN. Oh, certainly, when the scals are killed.

Neither is there among those who agree in opinion as to the effect of the bill any necessary unanimity of emotion in contem-

plating the result.

plating the result.

In the Fifty-third Congress the word "decrease" as applied to this herd was preceded by the adjective "alarming." The report now before us betrays no emotion, evidently viewing the inevitable with philosophic complacency. For myself, I must look upon the unavoidable extinction of such wild beasts as the buffalo and the fur seal not entirely without sentimental regret, but yet, after all, as "a consummation devoutly to be wished." I am not sure of the unanimous concurrence of all my colleagues on the committee in these views, but I am sure that my own convictions grow stronger from year to year the more I study the subject.

When a similar bill was under discussion last year I said (page 3323, volume 27, Congressional Record):

3323, volume 27, Congressional Record):

3323, volume 27, Congressional Record):

Mr. Dingley. I yield five minutes to the gentleman from North Dakota [Mr. Johnson].

Mr. Johnson of North Dakota. Mr. Speaker, we have tried and failed utterly to protect this seal herd. You might as well try to rectore the buffalo to the Western plains, or to turn the prairies of Illinois and Kansas into wolf pastures, as to try to set aside the Bering Sea as a preserve for this seal herd. The fur seal should have disappeared before man appeared upon the globe. He belongs to the Glacial epoch. His nature is such that it is utterly impossible for him to live in contact with civilization. He can not be tamed. He utterly refuses to touch food in domestication, and when pursued by man, especially on shore, he is incapable of either defense or flight. He has disappeared from every corner of the globe where he has come in contact with civilization.

Nothing but a very curious combination of the late discovery of the land and the almost perpetual fogs at sea in that part of the world has preserved this berd. It is bound to go. You can spend millions on it, but you can not save it. The fur seal belongs with the mastodon, the Irish elk, and the great auk. Instead of trying to struggle against nature; instead of trying to accomplish the impossible; instead of looking with alarm upon the destruction of the seal herd, as the committee say in their report, let us look with complicency upon the government of the universe as we find it.

Not by employing the entire Navy can you preserve that seal herd over five years. Let us not throw away any more good money in resisting the inevitable. We did very well for twenty years under the Alaska Commercial

Company's régime. From 1870 to 1890 they took something like 100,000 prime male scale a year without detriment to the herd, and the Government made some \$6,000,000 from this source; but there it stopped, and you can never restore that industry again. Last year we only got \$600 all told as the revenues of the Government from this business, while our expenditures, if we include the Paris award, were nearly a million. In fact, for the last three years the total receipts of the Government were only \$7,000.

It is not an American industry. There are not 500 American people who carn a living out of the business. The company has a contract with the Aleuts, with the natives who were transported to the Pribilof Islands for the sole purpose of working for this campany, that they shall have a monopoly of this labor. Not a white laboring man gets employment there. In consideration of their good behavior and doing their work in a certain way they have a contract for the monopoly of the entire labor, and for the last three years we have appropriated about \$10,500 a year as a part of the pay of these employees; for it amounts to that. It has appeared in the sundry civil bill as being for fuel, food, and clothing for these natives. These Aleuts are not natives of the islands. They were brought there for the purpose of working for this company, and they have the exclusive right to work for the company. That is all the labor the business furnishes so far as these islands are concerned.

Then, when the skins are removed they are all carried to London. Not one of them is tanned in America. There are in London 50,000 people who find employment in dressing these skins. Mr. Blaine in his letter to the British minister stated that \$12,000,000 had been earned in England as wages by the law-sing men there in the dressing of these skins.

There are no more laboring men employed in that business in America than there are employed in a single store in this city or on a single farm in North Daxote.

The last are a monor to a commercial inte

ment, if opportunity is given, to strike out that part about the international commission.

The last section of the bill, which is simply to capture the herd next summer, is all right. For many years that herd was simply seen twice a year, like a flock of birds of passage, as it skipped through the passes of the Aleman, the sammer resort being somewhere in the Bering Sea, to its winter resort in the Pacific Ocean. For many years the Russians employed quite a fleet in trying to find either their summer or winter resort. They were especially auxious of finding their winter habitat, supposing that the furs would be more valuable in the winter than in summer. Finally, about the midst of Bering Sea.

Their winter resort or tour is now known both to us and the English. Our Treasury agents discovered and reported their course prior to 1890, but the Treasury Department very properly refrained from publishing the reports. In 1828 Sir George Baden-Powell employed four English war vessels to follow the herd and discover their winter course. He publicly boasted of his success in a speech on his return to London.

English and Canadian sealers furnished with this knowledge by the English Government now have the herd at their mercy. Exposed as our seal herd now is, the herds in the South Atlantic, South Pacific, Indian Ocean, and Japan Sea have all vanished. Ours is doomed. Let it go without regret. They eat 50,000,000 pounds of fish a day.

What has become of other herds? Captain Cook discovered seals

What has become of other herds? Captain Cook discovered seals on Desolation and South Shetland Islands, nearly south from Cape

Horn. They were stripped of seal life in a few years—320,000 skins being taken in 1820 and 1821.

Kergulen Land, Southern Indian Ocean; discovered in 1772. In twenty-eight years 1,200,000 skins were taken there and the herd

Crozett Islands, same ocean, same fate.

Mas-a-Fuera Island, in South Pacific, off coast of Chile; discovered in 1797; herd at that time estimated at 2,000,000 or 3,000,000; 3,000,000 carried to China in seven years and herd destroyed. South Georgia, in the South Atlantic, produced over a million

skins in a few years; herd extinct.

Coast of South America about Cape Horn teemed with seal life when discovered. Now only a few stragglers are found; not enough

when discovered. Now only a rew stragglet sure to pay to hunt.

As late as 1854 a small seal island less than a mile in diameter was discovered in the Japan Sea by Americans. A herd of 50,000 seals was exterminated in three years.

Now, there are only three herds left in the world. First. A small herd on the Lobos Islands, in the mouth of the River La Plata; capacity, 5,000 to 12,000 skins per annum; protected by Republic of Uruguay.

Second. The herd on the islands of Copper and Bering, coast of Kamchatka; capacity, 40,000 skins per annum; protected by the Russian Government.

Russian Government.

Third. Our Alaska herd on the Pribilof Islands; estimated from 6,500,000 in 1887 down to 175,000 in 1895.

It is idle to talk about restoring a seal herd when once broken up. It has never been done. In the Southern Hemisphere there are well-authenticated cases where a depleted herd was not hunted for fifty years—left undisturbed—and yet it did not recuperate. Our Alaska seal herd is an anomaly.

So long as that herd was only exposed to slaughter for a few days in the spring, while rushing between the Aleutian Islands in passing from the North Pacific to Bering Sea, and again for a few days in the fall, while passing the same points going back to the Pacific, so long as no man knew whence they came or whither they were comparatively safe. But when Pribilof discovered 'he islands of St. Paul and St. George, in Bering Sea, where the seals resort and stay in summer, then it became possible to exterminate

the herd any summer. They would have been so exterminated in a very few years but for the protection of the Russian Government

ment.

Being safe in summer under protecting regulations and safe in winter under their ancient shield of secrecy as to where they were in the almost boundless Pacific, it was still possible for this herd to exist for a few years. But when the British Government sent four war ships into the Pacific for the express purpose of following the herd all winter and of revealing the route to Canadian sealers—when that expedition succeeded in its plan and published its above, then the herd was downed.

sealers—when that expedition succeeded in its plan and published its charts, then the herd was doomed.

In addition to what I said on that point last year I wish simply to add a brief extract from the official report of the hearing of this year before the Committee on Ways and Means, pages 5 and 6.

(Interrogatories by members of the committee; responses by Mr. Hamlin, Assistant Secretary of the Treasury.)

Mr. DALZELL. The treaty was in view of the arbitration proceedings. Is it not under the treaty that award is made functus officie?

Mr. HAMLIN. No, sir; we are proceeding under the decision of the arbitration under that treaty and legislation enacted by both Governments to carry out that award. Great Britain might claim that this bill is practically a violation of the award; that the award was passed to protect the fur-seal herds, and went proceed.

out that award. Great Britain might claim that this bill is practically a violation of the award; that the award was passed to protect the fur-seal herds, and you propose.

The Chairman. It was to protect them really on the high seas.

Mr. Hamlin. Certainly. And you propose under this bill to destroy the rest—the subject of the treaty—as soon as the herd reaches the islands. Now they might say, we will thereupon allow our sealers to follow the herd in May and June up to the islands and to kill them in spite of the closed season.

Mr. Johnson of North Dakota. Do not they allow them to follow them during the winter, from November until the following spring?

Mr. Hamlin. Yes, sir; but there is practically no sealing at all from November until about the latter part of January

Mr. Johnson of North Dakota. Is it known to the American sealers where this herd is during the winter?

Mr. Hamlin. We know.

Mr. JOHNSON of North Dakota. You know because you have the reports. Have you published those reports?

Mr. Hamlin. You mean the charts; we have regular charts.

Mr. JOHNSON of North Dakota. The British Government sent Sir Baden Powell for the expressed purpose of finding the winter habitat of the seals, and that information has been given to their sealers, and, as I understand it, that habitat is known to them, but I understand in the United States the information has never been published as to where that herd is.

Mr. Hamlin. They are all published in the regular official report of the tribunal at Paris.

Mr. JOHNSON of North Dakota. When did the winter habitat of the seals first become publicly known?

Mr. Hamlin. This Government had a commission, as also did Great Britain. From that time the habits of the far seal became definitely known. To-day I could almost tell you within a few miles on the chart where the herd is as it is going along up the coast toward Sitks.

With these charts, given first by the British Government to

With these charts, given first by the British Government to the Canadian butchers and pot-hunters in 1893, and to all the world in the report of the Paris tribunal in 1894, and now accessworld in the report of the Paris tribunal in 1894, and now accessible to every pirate and poacher on the broad Pacific, with the herd already reduced from six and a half million in 1887 to a begarly 175,000 in 1895, with "44,000 seals, mostly females, having been killed during the last season by the pelagic sealers," and with 30,000 dead pups, starved to death, counted on the rookeries last fall, does it not occur to members that we are a wee bit late in passing bills for the preservation of the Alaska seal herd?

With thirty-seven times as many seals in the herd in 1887 as we have now, with that herd then safely feeding in secret seclusion from November to June in the Pacific, and under our protection on the islands and in the Bering Sea—which we then held as a closed sea—from June to November again, we have seen this once splendid property almost destroyed.

splendid property almost destroyed.

Now, with only a miserable remnant, one-thirty-seventh, pursued and slaughtered all the year, and with the Bering declared an open sea, it is seriously suggested by some men to undertake to restore that herd! Such an impossibility I do not care to argue. In this crisis, my countrymen, I regret exceedingly to have nothing better to offer you than the "consolations of philosophy."

THE GRAPES ARE SOUR.

When Ole Bull went to Moscow to play before the Czar he was requested by a pompous official music master of the court to first play a sample piece in order that said official might determine

whether the music was really good enough for the Czar.

Mr. Bull replied: "I play either for money or for honor. Playing before you would involve neither."

I take it that Uncle Sam is playing either for money or for honor. Neither has been involved since 1890 in this miserable fur-

Is either money or honor in sight as far ahead as the lookout from the crow's nest on the ship of state can penetrate the mist of the future with his telescope? Hardly. The report states that—

The Government expended in 1894 about \$450,000 in a vain attempt to prevent the killing of seals in Bering Sea.

That is true so far as it goes. We spent about that sum on the Navy alone. It is not mentioned in the report, but it is true,

nevertheless, that we also spent in 1894 \$56,439 on the Revenue Cutter Service, \$10,308 on salaries of agents, \$18,319 on support of natives, \$224.514 on Paris Tribunal of Arbitration, and that we never got a red cent of income to the Government from this furseal business.

As I figure the balance sheet, so far as money is concerned, for the last five years the account stands about this way:

Year.	Policing Bering Sea by Navy.	Patrol by revenue cutters.	Salaries of agents.	Support of
1891	\$133, 281 233, 931 183, 067 452, 768	\$51,650 60,672 47,385 56,439 148,677	\$15,396 16,071 11,168 10,953 10,308	\$11,337 18,319 25,563
Total	1,003,047	870, 823	63, 896	55, 219
Total of four items foregoing Expense of Paris Tribunal of A Damages tentatively agreed or recommended by Mr. Clevela	rbitration a by Gresha	m and Pau	ncefote, an	224,514
Total expense for five yes	rs		********	2, 142, 496
In 1891	RECEIPTS		\$16,7	19

Loss to United States in five years..... In addition to what I said last year and in support of the position that not only is there no money in this business now for the Government, but there never was a time in its palmiest days when the business furnished a living for 500 American citizens, I wish to quote from page 7 of the hearings. It was always a British industry, almost as exclusively so as any craft in London.

Total (no receipts in 1893, 1894, or 1895)

Mr. HAMLIN. No, sir; the North American Company, which rents the is-

lands—Mr. JOHNSON of North Dakota. But how many American men do they em-

Mr. Johnson of North Dakots. But now many American in Dutch Harbor ploy on the islands, for instance?

Mr. Hamlin. Very few. But they have a force employed in Dutch Harbor and San Francisco.

Mr. Johnson of North Dakots. How many men do they employ in London to dress the skins?

Mr. Hamlin. It has been estimated at from 7,000 to 10,000, but I think that is rather an overestimate. This force is employed by the London brokers and fur dressers.

Mr. Hamlin. It has been estimated at from 7.000 to 10,000, but I think that is rather an overestimate. This force is employed by the London brokers and fur dressers.

Mr. Johnson of North Dakota. You think 509 Americans make a living out of seals, either by dressing the skins or catching the seals?

Mr. Hamlin. As regards the North American Company, I should say perhaps not 500, but as regards American pelagic sealers, at least 500.

Mr. Johnson of North Dakota. What I want to bring out is that it is a British industry practically, and that 10,000 people in London make a living out of dressing the skins, and not 500 American citizens are lawfully engaged in the matter.

Mr. Hamlin. I think 1,000 would be a fair estimate. I think it will not exceed 1,000 people.

Mr. Johnson of North Dakota. Do you not think these seals eat 50,000,000 pounds of fish a day, and would not these fish be of great benefit to—

Mr. Hamlin. No, sir; they live largely on cod, and the cod fisheries of Alaska are inexhaustible, practically the greatest cod fishery in the world.

Mr. Steelle. How much a day did you say they ale of fish?

Mr. Johnson of North Dakota. They eat 50,000,000 pounds a day, enough to put a pound of fish before every man, woman, and child in the United States every day, if it was diverted from these seals and put on the table of American people.

Sections 1, 2, 3, and 4 of the bill provide for another international commission. I am heartily sick of international commissions, and am against these four sections.

The fifth section provides for killing the whole herd when they land next summer on the islands, selling the skins and covering the money into the Federal Treasury—estimated at \$5,000,000—in the event of failure to get international action.

That is practical sense and the only way in the world to ever get back any of your money. I consider sections 1, 2, 3, and 4 harmless surplusage, and therefore support the bill as heartily as those who think only of those four sections, and who scarcely dream of section 5 being put in force. The American people are intensely practical and not given to bluffing. Our neighbors may as well understand that our financial welfare and selfish interests, as well

as our sentiments of humanity, prompt us to end this history in

one final chapter next summer.

I admit that another international commission might be profitable to a few individual American citizens, statesmen, and others in and out of jobs. I append the following itemized statement of expenses of the Tribunal of Arbitration of Paris:

Baron de Courcel	
G. W. W. Gram, personal expenses	1,737.00
Marquis Venosta	2, 412.50
Marquia Venosta, personal expenses	2 901 50

\$11,966.00

Arbitrators.		
John M. HarlanJohn T. Morgan	13,000.00 13,373.75	
Counsel.		26, 373. 75
James C. Carter	15,000.00	
James C. Carter, special appropriation	15,000.00	
E. J. Phelps	15,000.00	
Henry W. Blodgett	12,698.82	
Frederic R. Coudert	15, 427.97	
F. W. Whitridge William Williams	5,848,81	
Robert Lansing	5, 955. 00	
Russell Duane.	1, 365, 42	
A. Porter Morse	500.00	
John B. Moore	100.00	106, 366, 62
Agent.		Water cancer pres
John W. Foster		15,000.00
Disbursing clerk.		
E. W. Halford		1,800.00
Clerks,		
John T. Coughlin	1,020.00	
Hubbard T. Smith Francis S. Jones	1,256.50	
William H. Lowis	1, 824, 50	
John W. Hulse	1, 955, 75	
J. Stanley Brown E. H. McDermott	1,965.00	
B. H. MCDermore.	1,421.06	10, 755. 49
Miscellaneous.		10, 100. 20
Clerical services	8,967.65	
Traveling expenses, hotel bills, affidavits, etc	10 975 59	
Ocean transportation	1,594.00	
Photographs, maps, etc	2,629,74	
Stationery	176.91 478.80	
Cablegrams	961.18	
Hotel Continental, Paris	8, 764, 72	
Loss by exchange	219,00	
Miscellaneous, including documents, press clipping, cal hire, boxes, books, and office expenses in Paris (\$155.58)	3,866,13	
and the second second and onlos expenses in Paris (\$100.00)	. 0,000.10	52, 202, 78
Total		994 614 30

I append a statement of the number of seals taken for all purposes on the seal islands during the years 1870 to 1890, both inclusive, together with the respective amounts paid by the lessees each year as rental and tax for the privilege:

Year.	Seals taken.	Rental and tax.	Year.	Seals taken.	Bental and tax.
1870	102, 260 106, 819 109, 177 110, 585 106, 460 94, 657 84, 310 109, 323 110, 511	\$101, 000. 00 \$22, 863, 38 307, 181. 12 387, 061, 25 4317, 494, 25 4317, 494, 25 4317, 494, 50 291, 155, 50 203, 255, 75 317, 447, 50 317, 447, 50 317, 400, 25 317, 594, 50	1861	90, 812 79, 500 105, 434 105, 024 104, 521 105, 760 103, 304 102, 617	\$316, 885. 75 817, 295. 35 251, 875. 00 817, 400. 25 317, 482. 75 317, 452. 75 317, 500. 00 817, 500. 00

For purposes of comparison I also give the number annually taken since 1890, as follows:

Year.	Seals taken.	Year.	Seals taken.
1891	13, 483 7, 549 7, 500	1804	16,031 15,000

Total number of seals lawfully taken on the islands in five

years, 58,562.

The following table is also necessary to a complete statement of the case:

Contraband seal skins marketed.

Year.	Seals taken.	Year.	Seals taken.
1886		1891 1893 1894 1804	28,000

*Includes Asiatic herd.

The report estimates the possible value of the catch at the final "round-up" next summer at \$5,000,000. Of course, that is largely conjectural, depending, first, on the number of skins; second, on the price. We think the number would be not far from 175,000.

As to prices, I submit the following table of prices obtained for

124 lots of ordinary mixed skins at the last great annual sale in London:

Public sale of salted fur-seal skins at London, December 4, 1895.

[6,944 skins, salted fur seal, N. W. coast, 22,752 skins, chinchilla, salted fur seal.]

Lot.	Shil- lings.	Lot.	Shil- lings.	Lot.	Shil- lings.	Lot.	Shil- lings.
1	46	82	30	63	29	94	A
2	49	33	26	64	22	95	4
2	50	84	50	65	46	98	7
4	51	85	49	66	26	97	9
5	42	86	53	67	40	98	2
6	42	37	52	68	52	90	3
7	44	38	43	69	48	100	4
8	85	89	29	70	42	101	5
9	86	40	43	71	86	102	. 4
0	85	41	300	72	26	108	
1	26	49	27	78	80	104	9
2		43	40	74	53	105	i
3	87	44	25	75	54	106	i
4	80	45	46	76	54	107	i
5	26	46	49	77	. 54	108	1
6	51	47	50	78	55	109	1
7	51	48	47	79	56	110	
8	83	49	40	80	56	111	
9	53	50	28	81	56	112	
00	53	51	28	89	56	113	
1	46	58	22	83	47	114	
2	36	58	39	84	40	115	
3	27	54	25	85	27	116	
4	40	55	40	86	43	117	
5	27	56	52	87	28	118	
8	47	57	54	88	47	119	
7	0.1	58	46	89	51	120	
38	58	59	36	90	43		
20	400	60	26	90	27	123	
20	0.0	61	46		22	100	
01	OK.	61	43	98	54	104	
DR	1 20	00	80	93	0.5	Laterand	

Average price, 41 shillings, or not far from \$9.85 in our money. As the seals lawfully killed on shore furnish skins very superior to the average—being selected males killed with clubs so as not to rend the skins, as must necessarily be the case where pelagic hunters resort to spears and firearms—I also append the London price of 11 lots of this grade, and give it for 1893 and 1894, in order to show the great fall in price on account of overstock:

Sales in London of Alaska seal skins, November 30, 1894, and November 30, 1895

	a. d.	s. d.	a. d.	s. d.	a. d.	s. d.	a. d.	. s. d.	a. d.
November, 1804.	72 10	70 0	90 0	89 0	89 9	00 00	\$65 02 20 06	01 0	00 0
November, 1893.	90 1	100 3	114 6	100 1	108 5	101 0	80 0	72 0	77 0

Perhaps the knowledge that the enormous lot offered next fall by Uncle Sam was a positively closing-out sale to go out of business would enhance prices. Possibly the increased supply might "bear" the market. All that is conjecture. One thing is sure: If we once are rid of these expensive boarders on the bounty of our sea food we would have to ourselves, undisturbed, a shore line of 36,000 miles from Sitka to the Arctic, much of it traversed by the warm Japan current, loaded with seaweed, jelly-fish, and other fish food, swarming with cod and salmon and mackerel heretofore wasted on these wolves of the sea.

The Coin Redemption Fund.

SPEECH

HON. IRVING P. WANGER.

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, February 8, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. WANGER said:

Mr. WANGER said:
Mr. Speaker: The hostility of the American people to an increase of the bonded indebtedness of the nation to meet the ordinary expenditures of the Government is alike reasonable and undoubted. And if the measure which passed the House, in lieu of which the pending bill has been returned from the Senate, had in any sense tended to justify the policy of the present Administration in antagonizing all propositions for supplying by custom-house and internal taxation the revenue necessary to the discharge of the demands on the National Treasury, it would have had united Republican opposition instead of general Republican support.

But as it followed another measure which would have yielded from forty to forty-five million dollars additional annual revenue and have greatly aided the revival of prosperity to agriculture, man-

nfactures, and commerce, and as it provided against the scandalous conditions attending the sale of bonds to a syndicate of foreign bankers, to their great profit and to the exclusion of patrictic American investors, and further provided for a great saving of interest and armed the Treasury with the power of defense in times of emergency it had our hearty support, and we can believe the public interest was not well served any more than the proprieties of legislative procedure were respected by the Senate in wholly changing the character of the measure from one of support to our existing financial system and monetary standard to one for the revolution of the latter.

We have the satisfaction that the negotiations or interviews in-

We have the satisfaction that the negotiations of interviews intended to result in a renewed syndicate contract for the purchase of our bonds at 10 or more per cent below the market rates were abandoned and the opportunity given the American people generally to make an investment satisfactory to them and advantageous to the Government, although not so favorable to the latter taged as if the law permitted (as we proposed) the issue of bonds bearing a lower rate of interest. Specious as the argument that the higher interest bearing bonds realize an equivalent in premium, it is not borne out by experience, and while our measure was opposed by the Administration and its friends in this Chamber, President Cleveland, in the course of a recent newspaper interview. Cleveland, in the course of a recent newspaper interview, gave the following evidence substantiating our claim to this merit:

following evidence substantiating our claim to this merit:

Seldom, if ever, have I taken so much interest in anything as I have in the success of this bond issue. Both Secretary Carlisle and myself have had it very much at heart.

My preference would have been to have the present loan much more popular than it appears on its face, but we have done the best we could. The people who hoard small savings of gold or the equivalents of gold are unactusomed to transacting business on the basis of which these bonds had to be issued. They are unused to premiums or to the formalities of making bids. If we could have sold them a 3 per cent gold bond at par, I think it would have brought out a good deal of this gold; but the only bond the law allows us to issue had to be sold comsiderably above par in order to keep the net rate of interest within reasonable limits.

As I have said, I wish it could have been obviously still more of a popular loan, but from such information as comes to me from various private sources I am convinced that more small holdings of gold will be drawn into the Treasury by the present arrangement than appears on the surface. The small country banks, for instance, which are buying bonds for their customers, have made their bids through their New York and Boston correspondents, and this gives the loan the appearance of having been taken up by the big financial institutions at the money centers, although, as a matter of fact, not a little of it will ultimately come from the small investors.

The satisfaction of the President in the success of this bond

The satisfaction of the President in the success of this bond Issue is creditable to him, and, it is to be hoped, convinces him that the wealth and strength and patriotism of all the people is greater than that of even the most prominent New York bankers with their foreign allies, and will cause him to place less reliance than heretofore upon the wisdom of these bankers, a firm of whom, having a branch office in this city, said of the then proposed loan, in a circular dated January 9, 1896:

We do not believe that the total public subscription to the proposed issue will approximate more than one-third of the amount needed, and that in order to save the loan from failure and to preserve the country's credit the Administration will be forced to sell the bonds to Mr. Morgan's syndicate. * * * * *

In view of the offers, exclusive of that from Mr. Morgan's syndicate, of from four to five times the amount of the loan, an ex-

ample of persons wholly wanting in judgment of the American public can be found in this firm of bankers.

It has been said that the proposals for the recent one-hundred-million-dollar bond issue were invited before the Senate with the exercise of all dispatch could reasonably have been expected to act upon the measure and that therefore the saving could not have been realized in this issue, but the condition of the gold reserve is so conrealized in this issue, but the condition of the gold reserve is so contingent upon the existence of confidence respecting future conditions that with a zeal on the part of the Senate (which lacks a Republican majority) at all commensurate in like defense of financial ability and integrity, the depletion of the reserve fund would doubtless have ceased and with it the occasion for any further bond issue, so that the entire interest charge and the last hundred millions of increased indebtedness might have been saved. So much for our action and its actual and conjectural

THE MEASURE NOW PENDING.

The Senate having substituted for our measure, which might have had Executive approval in view of the new light the President has had, a provision for the free and unlimited coinage of silver, we might resent the action as infringing upon the rights of the House and refuse consideration for that reason, but the proposition may have to be met some time in this Congress, although nothing could be more certain than a veto if it were adopted, and perhaps consideration is as well now as hereafter.

We now have in concurrent use at a parity gold, silver, and paper, and the American people desire this condition to continue with any enlargement of the volume of any or all of these forms

of money and currency under national auspices which is safe and practicable.

The advocates of the pending measure claim that it will give us more money and better times, and if eloquence and vehemence were proofs the claim could be entitled to credence. But against

it is the experience of all the past and the judgment of all the leading commercial nations of the world. While theorists in this country advocate an unlimited coinage by the United States irrespective of the action of any other nation, the profound thinkers of Germany, France, and England only favor bimetallism through international agreement, and concede that the unity of silver and gold at a fixed ratio can only be restored through that medium.

If I understood the concluding illustration of my friend from South Carolina [Mr. Talbert], it was that he would not follow the example of the African who proposed to take to the woods rather than go on either of the two roads said to be before him, the one leading to destruction and the other to hell and damna-tion. It is to be assumed, therefore, that my friend will take one

those roads. [Laughter.]
Mr. TALBERT. Mr. Speaker, will the gentleman yield to me for a moment?

for a moment?

Mr. WANGER. Not at present.

The SPEAKER pro tempore. The gentleman declines to yield.

Mr. TALBERT. I simply wish to say to the gentleman—
The SPEAKER pro tempore. The gentleman declines to yield.

The House will be in order. The public business will be suspended until order is restored.

Mr. WANGER. Notwithstanding my love for the gentleman, if he contemplates the journey indicated, no matter which way he selects, I am unwilling to bear him company. [Renewed laughter.] laughter.]

I regard the illustration most apt as applied to the coinage proposition advocated by the gentleman as a way out of the difficulties oppressing the people, and that it would lead to measurable destruction, even if not to the other termination. Now I

will yield to the gentleman.

Mr. TALBERT. I just want to say to the gentleman—I do not mean to interrupt him, for I have too much respect for him—I simply wanted to say that I stated that one party claimed if we had free coinage it would ruin the country, and the other party claimed that if we did not get it that would ruin the country. I just used that simile. I did not admit that either way would lead to these destructions at all.

Mr. WANGER. No; and you did not prove that your way

would not or that the other way would. [Laughter.] And when it comes to displacing a financial system under which the wonder-ful development of our resources, wealth, and power has occurred during the last twenty-three years, and the readoption of a system discarded by nation after nation for relief from its disadvantages, the reasoning for the change should be logically unanswerable. [Applause.]
Now, I will take the liberty of returning an interrogatory to

Now, I will take the interty of returning an interrogatory to my friend. He said this was a question of manhood or of money. My inquiry is: Where does he find the highest type of manhood—in the countries having the gold standard or in the countries which under the law have the free coinage of silver?

Mr. TALBERT. Does the gentleman wish me to answer that?

Mr. HARTMAN. Will the gentleman permit a question?

The SPEAKER was tempore. Does the gentleman vield to the

The SPEAKER pro tempore. Does the gentleman yield to the gentleman from Montana?

Mr. WANGER. If the gentleman from South Carolina does

not wish to answer the question.

Mr. TALBERT. I asked the gentleman if he wished me to The SPEAKER pro tempore. To whom does the gentleman

from Pennsylvania yield?
Mr. WANGER. To the gentleman from South Carolina at

present.

Mr. TALBERT. The gentleman asked me a question. I want to say in reply that I think from 1792 to 1873, when we had the free and unlimited coinage of silver, that we had in this country the grandest people upon the face of God's earth, unequaled anywhere in the world.

Mr. WANGER. That is not a reply to my question. We had good times and bad times between 1792 and 1873, just as we have had since the latter period. Now I will yield to the gentleman from Montana [Mr HARTMAN].

Mr. HARTMAN. I believe that the question the gentleman from Pennsylvania put to the gentleman from South Carolina is a very simple one. I suggest to him that that question of citizenship is a very unfortunate one for him to bring up. I take it that present

ship is a very unfortunate one for him to bring up. I take it that the citizens of Mexico, who are to-day enjoying much greater properity than many of the citizens of our own country, are at least the equals of the citizens of gold-standard Roumania, gold-standard Italy, gold-standard Spain, and five or six other gold-standard countries of the same kind, which I could mention. Now, I do not mean to say that that argument is worth anything; but it is worth just as much as the suggestion of the gentleman from Pennsylvania that the citizenship of the silver-using countries is infe-

Mr. WANGER. Possibly. But my friend compares the best examples from a silver-using country with those of possibly the least intelligent and wealthy gold-standard nations, and was very

careful to omit all mention of the citizens of Great Britain, of France, of Germany, and of the United States of America.

Mr. HARTMAN. France is on a bimetallic basis.

Mr. WANGER. Then you do not regard those last three na-

ions as being on a gold standard?

Mr. HARTMAN. Not at all. France is on a bimetallic basis.

Mr. WANGER. Then we have bimetallism and disproof from

an authority of the argument that we have only gold as standard

money and have demonetized silver.

From 1792 until 1873, when we had the free and unlimited coinage of silver in our statutes, we did not have the concurrent circulation of gold and silver, one or the other leaving us as it was undervalued in the coinage laws in its commercial ratio to the other, as must inevitably be the case when free and unlimited coinage is given to each and a difference exists between the commercial and coinage ratios.

According to the last report of the Director of the Mint, the metal moneys of the United States July 1, 1895, were, in gold coin and bullion, \$627,293,201, and in silver coin and bullion, \$624,347,-757, while no country having its mints open to the unlimited coinage of both metals had at this time any gold in circulation and was suffering from a fluctuating difference in exchange which made business operations in such countries more in the nature of speculation than of stable enterprises.

Now, in reference to this talk about the great prosperity enjoyed in Mexico, there are two stories from that land, one of distressing

conditions and the other of prosperity. My friend from Montana, in his admirable address recently delivered on this floor, referred to dividends paid there by some enterprises of, I think, 20 per

Mr. HARTMAN. That is correct.
Mr. WANGER. It may be that those enterprises are like a concern in my neighborhood which some time ago paid a dividend of 33 per cent in one year and in the next called upon stockholders of 35 per cent in one year and in the next called upon stockholders to contribute to its treasury to avoid a sheriff's sale. But assuming there have been instances of success, it does not establish a generally prosperous condition. Does the gentleman from Montana know of any great migration of the citizens of this country into Mexico on account of the superior prosperity enjoyed there?

Mr. HARTMAN. I will say to the gentleman in response to that that one of the distinguished Representatives from the State of Massachusetts on this floor made the statement a few days ago here in private conversation—and it is no breach of confidence to

repeat it—that if he himself were going to engage in a manufac-turing industry at the present time he would go to Mexico to invest, because of the wonderful opportunities presented by that

ocuntry.

Mr. WANGER. Did he say that he regarded that condition as attributable to the monetary standard of Mexico?

Mr. HARTMAN. He did not say that they have a monetary system upon which the success is predicated. He did not say it was because of the standard. He was not giving a theory, but it was because of the standard.

was because of the standard. He was not giving a theory, but simply stating cold, conclusive facts.

Mr. WANGER. It may be that his judgment was a wise one; it may have been a vagary. Notwithstanding the high respect I have for all the Representatives of that grand old State. I must confess that I do not think they are all entirely free from the possibility of error. But, aside from that, there is in the situapossibility of error. But, aside from that, there is in the situation of Mexico what accounts far more logically for the improving condition there than the monetary system. We all know that country was for years distracted by revolution and disorder; that there were race prejudices; that there was religious bigotry; that it was not safe for persons to invest capital there and expect either a return of their capital or protection of their pers Happily there has been a great improvement in conditions there. Order has grown out of chaos. These race prejudices have been largely overcome. They have the cheapest kind of labor. They have great natural resources, the development of which has been retarded by the confusion prevailing. My friend will concede that we can not have prosperity out of chaos, no matter what monetary system we may have, but where you have a condition monetary system we may have, but where you have a condition of that kind—rich natural resources, extremely cheap labor, a young country to be developed—you may find magnificent returns for investments, just as certain as stable government and protection to person and property is assured. And I submit, therefore, that it is not to the monetary system of Mexico that we must look for whatever of prosperity in recent periods there has been, but rather to the improved condition of social order.

Mr. SNOVER. May I ask the gentleman a question?
Mr. WANGER. One moment. I desire to ask my friend from
Montana if it is not true that laborers are paid about 20 cents a

Mr. HARTMAN. It is true in some of the industries, but I want to say to the gentleman that my only purpose—for of course the gentleman understands that I do not wish to embarrass him in his argument— Mr. WANGER.

Mr. WANGER. I understand that. Mr. HARTMAN. In referring to business there was to show

this, that by reason of the growth of the manufacturing industries, which in the last eighteen months or two years have been tries, which in the last eighteen months or two years have been growing very rapidly, the Mexican manufacturers have been enabled to produce and put upon the market in competition with the products of the manufacturers of the United States large quantities of goods. Certainly, the gentleman from Pennsylvania and myself would never consent to bringing our country to the level of wages with any country which pays so small wages.

Mr. WANGER. Certainly not.

Mr. HARTMAN. And I want to say right in the same connection that while the wages of Mexico are from 20 to 25 cents a day paid to their miners, the wages to exactly the same character of employees in gold-standard Spain are from 18 to 20 cents. Now, then, if it proves in the one instance that the silver basis is respon-

then, if it proves in the one instance that the silver basis is responsible for the 20-cent wages, then in the other instance it proves that the gold standard of Spain is responsible for the 18 cents a day; that is all.

Mr. WANGER. I did not contend that the silver standard had anything to do with the rate of wages in Mexico.

Mr. HARTMAN. I thought that was the point of your questions.

Mr. WANGER. I believe that the low compensation paid is a reason why enterprises prosper in Mexico which would not prosper with the higher paid labor of the United States.

Mr. HARTMAN. I understand that; and the only reason I

Mr. HARTMAN. I understand that; and the only reason I suggested it was that it becomes a vital question to the people of the United States as to whether by reason of cheap labor, by reason of the cheaper money, or by whatever reasons you may see fit to conjure up, that the manufacturing industries of the United States should not be driven out of their markets by the manufacturers of Mexico at the present time. That was my point; that is all.

Mr. WANGER. The gentleman and I are heartily in accordupon that phase of the question. I yield now to the gentleman

from Michigan for his question. I yield now to the genticular from Michigan for his question.

Mr. SNOVER. Is it not true that free trade in our own country has forced our manufacturers to go to Mexico in order to take advantage of the cheap labor there, and does not that account for a good deal of the business push that is now being exhibited in

Mr. WANGER. It has a great deal to do with it, of course, Because of cheap labor there are enterprises in this country—cotton mills throughout the Southern States—which have been declaring 20 per cent dividends and higher than that right along, even ing 20 per cent dividends and higher than that right along, even during the panic years of 1893 and 1894. I may cite an instance of the manufacture of cotton thread, in which some friends of mine are engaged in the city of Birmingham, Ala., where they have been enabled to earn more than 20 per cent per annum, while at their mill in Pennsylvania they are scarcely able to meet the expenses of operating the establishment, the difference resulting entirely from the fact that they have cheaper power and cheaper labor in

Now, Mr. Speaker, my opposition to the Senate substitute is from my conviction that the free coinage of silver by this country alone would not only involve the perils of disordered finances and be alone would not only involve the perils of disordered finances and be no aid to the restoration of the monetary equilibrium, but it would be an obstacle in the way of attaining that end. When gentlemen speak about the ease with which bimetallic France held the two metals together at the ratio of 15½ to 1 prior to 1874, they fail to take into consideration the fact that on one end of the lever was a large number of nations which had free coinage of silver alone, and on the other end but one nation which had the single coinage of gold, while France, the United States, and a few other nations had free coinage of both metals, so that the gold and silver monetary pole was hanging in the balance. Therefore, under Gresham's law, whenever there was a change in the commercial price of either metal differing from the ratio, the cheaper moneys Gresham's law, whenever there was a change in the commercial price of either metal differing from the ratio, the cheaper moneys flowed into and took up a part of the field that had been previously occupied by the other money, lessening the demand on the latter and again restoring the equilibrium. Nobody will pretend that such conditions exist now—all the leading commercial nations having gotten upon one end of the pole and standing back from climbing upon the other while they seek to keep it as nearly balanced as possible to the extent that they can not lay the burden upon other shoulders. Much as we may regret the abandonment of silver by Germany and other nations using it until 1872 and later, we must concede the changed conditions.

later, we must concede the changed conditions.

When it is argued that by this country going on the silver basis and surrendering her gold we would have a cessation of falling prices, we must consider that the greater part of all our obligations are payable in gold and that there is not free room for the operation of the theory. The taunt that it is unpatriotic to contend for an international arrangement is not argument, and the contention for such an agreement is sustained by such bulwarks of the bimetallist faith as Mr. A. J. Balfour and Archbishop Walsh.

The trouble leading to the changing standards of the nations in the use of gold and silver and in the nature of their coins in circulation, before no less than since 1873, was the absence of uniform

mint regulations respecting ratio; the difficulties only became grievous when there was not a sufficient demand for silver for all purposes, money included, to maintain its value commercially toward gold at the ratio fixed in coinage laws.

It can not be denied that it was an ordeal of great cost to hundreds of thousands of our people to get from the inflated prices

prevailing when specie payments were suspended to the standard finally reestablished in 1879. But to get upon firm ground was worth much, and none should deny that it is essential to our progand prosperity to maintain the highest character for finan-

To go upon a silver basis may temporarily raise prices of com-modities in our currency, but not to those outside our land, and that basis of faith is too uncertain to justify assuming the move-ments of prices will not meet retrograde influences, continuing instability and taking from much we would do toward restoring the old-time ratio, for Japan is drifting from the silver standard, and even Mexico and India might gladly welcome the opportunity to exchange places with us unless we precede our action by treaty to exchange places with us unless we precede our action by treaty with them, and we might be in the sorry plight of having lost our good name, lost our standard, which gives confidence to all the world in our strength of resources and purposes, lost our energy and hope, and gained nothing but distressing experience.

If the hope of increased prices should be realized there is no guarantee of stability, and we should likely be plunged into confusion worse confounded. The people who earn bread in the sweat of their brows know how little hope they could have of wages rising commensurate with the increased cost of necessaries. Every

ing commensurate with the increased cost of necessaries. Every disaster could be attributed to the change in financial policy, and the clamor to return to the standard selected by the laws of trade

and commerce would probably prevail, and the ascent up the hill is very, very difficult—swift and easy the descent.

Mr. Speaker, I believe in the use of both gold and silver, and their free and unlimited coinage on equal terms whenever and under such conditions that may be safe and will permit the concurrent use of both. Until then let us maintain our present standard and make it to the interest of every other nation on the face of the earth holding commercial relations with us and having the coinage of both metals to keep it, and for the interest of those nations which do not now have it to agree to join with us in renations which do not now have it to agree to join with us in resuming the coinage of both metals at a fixed ratio at the earliest practicable period. There is an awful amount of selfish interest lying behind national as well as individual action. European nations will never agree to the restoration of the free coinage of silver simply because the American people want them to agree to it. When they see that it is to their advantage to do it, then, and not till then, will they agree to do it. The distinguished Speaker of this House, in a communication to a public journal, said some time ago that silver and approtection were really one question and time ago that silver and protection were really one question, and to my mind so they are; and we might join with them, if in fact it is not covered by the single word "protection," the restoration of our merchant marine through our efforts to bring other nations

of our merchant marine through our enters to bring other materials to join us in restoring silver to its function as a standard money of ultimate redemption.

There is a way—I do not know that it is the only way—but to my mind it is one way, a perfectly safe way, a way in which there are no pitfalls and no snares, and something from which we can readily return in case we find that its operation is not what we have a right to expect from it—that is, in the collection of our custome definition to want to be a superfection from forming countries the toms duties, to permit on importations from foreign countries the payment of the duties in that standard money which they admit to free coinage at their own mints at the coinage value it has at urs. It seems to me that when monometallic nations found it sential to do that, and found that these United States had set their face steadily toward the accomplishment of this purpose, we should have not only conferences which would meet and discuss this question, but conferences which would avail something, con-ferences which would bring unity of action among the civilized nations of the earth, conferences which would be beneficent in the results of their action, which would restore and firmly establish the monetary equilibrium, obtain the full benefit of all our cur-rency, all our credit, crown as acts of wisdom the persistence with which we have stood by our standard, and give to the people of this earth for all time to come the advantages of having as stand-

ard money gold and silver without prejudice against either at the mints of all nations and in the markets of the world. [Applause.]

Mr. Speaker, there has been considerable talk about the effect of the Gorman tariff bill on the manufactures of the country. All with whom I have conversed who are engaged in manufacturing enterprises are complaining of the difficulties that surround them enterprises are complaining of the difficulties that surround them. them, and are saying that they really can not hold out much longer if the disastrous competition with European labor now going on is to continue. As I have received some evidence of a place where that law has worked for the encouragement of manufactures, I will send the communication embracing this informa-tion to the Clerk, in order that it may be read.

The Clerk read as follows:

A MARKET FOR CHEAP GOODS

A MARKET FOR CHEAF GOODS.

The cloth manufacturers of the Dewsbury and Batley district have had a good year, the latter half having been exceedingly busy. It is almost astonishing to learn what undoubtedly is the fact, that within the last few weeks one firm in Dewsbury was compelled, through pressure o' work in the execution of orders almost entirely for the United States, to refuse one of 4,600 pieces. This offer related to president cloths, a class of goods that of late has been produced from very common material at the order of transatlantic merchants. How far local firms are justified in producing a showy but half worthless cloth that will be sold to the American retail buyers—farmers, artisans, and the like—is another matter. The possibility, even a very few years ago, of manufacturing a cloth at is. 6d. per yard was scouted, but to day there are makers to be found able to produce good-locking masses of the pocreat classes of fabrics produced in the neighborhood are of course very different from these cloths, and include stout, wear-resisting tweeds: Dewsbury serges, on both light and dark shades of color: fancy cloths, including ladies' mantlings, as well as the old heavy woolens, the making of which at one time almost exclusively occupied the looms of the district, comprising meltons, naps, beavers, and pilota. Manufacturers engaged on these goods have found trade to hang a little, chiefly through the mild, open weather of the late autumn and the winter so far experienced, and have turned their attention, as have their neighbors, to supplying the wants of the United States. The range of goods exported across the Atlantic since the amelioration of the McKinley tariff has been very great, but fancy cloths and Dewsbury serges and curla have taken the lead and are still running.—Manchester (England) Guardian.

Mr. WANGER. It is unfortunate that no such improvement can be noted in our own country, which has felt in manufactures, agriculture, and commerce, as it has in finance, the blighting effects of Democratic incompetency in legislation and in administration. Along with the promise of good times and the markets of the world under tariff reform was that of good woolen cloths in place of cotton and shoddy. As we have surrendered prosperity for panic and what markets abroad reciprocity brought us for a large invasion of our home market, so quality has also retrograded.

For all these troubles a remedy will be applied by the wisdom of the Republican party when it is again in control of the National Government, and the gloom and adversity which have been coincident with and largely occasioned by Democratic ascendency and blundering be buried beneath the sunlight and happiness of redeliverance unto Republican statesmanship, the synonym for broad and prosperous Americanism. [Applause.]
[Here the hammer fell.]

The Cuban Resolutions Tested by Precedent and the Traditional Policy of the United States.

REMARKS

HON. RICHARD W. PARKER.

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

The House having under consideration the following resolutions:

"Resolved by the House of Representatives (the Senate concurring), That in the opinion of Congress a state of public war exists in Cuba, the parties to which are entitled to beligerent rights, and the United States should observe a strict neutrality between the belligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

ernment of the United States should use its good offices and friendly influence to that end.

"Resolved, That the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples the pre-ent war is entailing such losses upon the people of the United States that Congress is of opinion that the Government of the United States should be prepared to protect the legitimate interests of Americans by intervention, if necessary"—

Mr. PARKER submitted the following remarks:

Mr. Speaker: The action proposed by the resolutions is similar to that taken by our Government in the early part of this century as to the South American Republics. From the first we treated their struggle as a civil war and granted beligerent rights to every city or faction that carried a fiag, and we traded freely with both sides, even in arms and munitions of war, and admitted them to equal privileges in our ports. Notwithstanding this we preserved the most friendly relations with Spain and publicly and privately exerted our friendly influence with her, at first to obtain self-government and finally to secure independence for these Re-publics. The President declared this to be our policy in numer-ous messages. He likewise declared that the interests of the United States must be protected not only against paper blockades and buccaneering privateers, but also against any interference by foreign Governments in the struggle between Spain and

her colonies.

There is no ground for the suggestion so often made that we are departing from American precedents and traditions in acknowledging the existence of civil war in Cuba, or that these resolutions propose any new thing in American policy.

The action proposed by the first resolution is not only just and equitable, but in accordance with the traditional policy of this Government. There is no unfriendliness in it to Spain. It is merely the declaration that we stand neutral in the contest now waying, and that so far as we are concerned either party may conver

Government. There is no unfriendliness in it to Spain. It is merely the declaration that we stand neutral in the contest now waging, and that so far as we are concerned either party may carry on trade and war in the ordinary way.

The resolution proposes that we shall take no sides and shall give no aid, but that we shall put an end to the state of affairs in which our ports, as well as those of the rest of the world, are closed to the one party and open to the other, by which, as it were, one side is boycotted and cut off from human intercourse, by which it is debarred from all trade, by which our merchants render their ships liable to seizure if they attempt to send to that party goods, and by which it is treated simply as a bandit.

To do otherwise is to be forgetful of the traditional policy of the United States. A distinguished Senator from Delaware has called attention to the fact that in the early struggle of the South American Republics against Spain independence was not finally recognized until it had been fully established as to each State in the year 1823 and subsequently, while the war had been going on for years. The fact is noted that as early as 1818 resolutions of sympathy with the insurgents had been decisively voted down in this House, and it is inferred from this that belligerency had not been previously recognized. Nothing can be further from the truth. Belligerent rights, the freedom of our ports, and free and equal commerce had been actually and for years accorded to both parties and all parties among the many warring factions in Spanish America, to single cities that had assumed distinctive flags, and to the various leaderships that from time to time claimed to represent the colonists. The policy of the United States was that of absolute neutrality, allowing unrestrained trade with any and all parties occupying any part of Spanish America and full belligerent rights.

The record as to this is so explicit that it is astonishing that it

The record as to this is so explicit that it is astonishing that it has been overlooked.

The record as to this is so explicit that it is astonishing that it has been overlooked.

It is true that in September, 1815, James Madison issued a proclamation that, on careless reading, might seem to proclaim a non-intercourse with any of the insurgents, and to forbid commerce in arms, munitions, or even provisions. But it is perfectly plain that the proclamation was directed only against armed and organized expeditions and not against peaceful trade. As early as December of the same year the Spanish Chevalier De Onis addressed to our Secretary of State a communication demanding among other things, that our ports should be closed to the revolutionists and to the flags of Carthagena, Buenos Ayres, and the Mexican Congress, and that trade with them should be stopped, as being with bandits and pirates. But the answer of the United States was in no uncertain terms. It denied the right of Spain to make this demand, and declared that our ports should not be closed to either or any party, that in the convulsions that were taking place the United States would not discriminate, and that unless our ports and trade were equally open to all it would effect substantial injustice. The correspondence is too important to be omitted. The Chevalier De Onis, as minister from Spain, says in his letter of December 15, 1815: his letter of December 15, 1815:

his letter of December 15, 1815:

The third and last point is reduced to this: That the President will be pleased to give the necessary orders to the collectors of the customs not to admit into the ports of the United States vessels under the insurrectionary flag of Carthagona, of the Mexican Congress, of Buenos Ayres, or of the other places which have revolted against the authority of the King, my master, nor those coming from them. That they should not permit them to land, or to sell in this country, the shameful proceeds of their piracy or atroctices, and much less to equip themselves in these ports, as they do, for the purpose of going to sea to destroy and to plunder the vessels which they may neet with under the Spanish flag. This tolerance, subversive of the most solemn stipulations in the treaties between Spain and the United States, and diametrically opposed to the general principles of public security and good faith, and to the laws of nations, produces the most melancholy effects on the interest and the prosperity of the subjects of His Catholic Majesty. Certain it is that neither Carthagena nor any other place in the Spanish dominions in this lemisphere which has revolted can be in communication with any power friendly to Spain, since neither on its part nor on that of any other Government has their independence been acknowledged, and it is consequently an offense against the dignity of the Spanish Monarchy, and against the sovereignty of the King, my master, to admit vessels from other places manned and commanded by insurgents, and armed in the dominions of this confederation, particularly as they are all pirates, who do not respect any flag, are justly considered the disgrace of the seas, and are execrated by all nations.

The Secretary of State says in reply, under date of January 19,

The Secretary of State says in reply, under date of January 19,

In reply to your third demand, the exclusion of the flag of the revolting provinces, I have to observe that in consequence of the unsettled state of many countries and repeated changes of the ruling authority in each, there being at the same time several competitors, and each party bearing its appropriate flag, the President thought it proper some time past to give orders to the collectors not to make the flag of any vessel a criterion or condition of its admission into the ports of the United States. Having taken no part in the differences and convuisions which have disturbed those countries, it is consistent with just principles, as it is with the interests of the United States, to

receive the vessels of all countries into their ports, to whatever party belonging and under whatever flag sailing, pirates excepted, requiring of them only the payment of duties and obedience to the laws while under their jurisdiction, without adverting to the question whether they had committed any violation of the allegiance or laws obligatory on them in the countries to which they belonged, either in assuming such flag or in any other respect.

In the differences which have subsisted between Spain and her colonies the United States have observed all proper respect to their friendly relations with Spain. They took no measure to indemnify themselves for losses or injuries; none to guard against the occupancy of the Spanish territory by the British forces in the late war, or to occupy the territory to which the United States consider their title good, except in the instance of West Florida, and in that instance under circumstances which made their interposition as much an act of accommodation to the Spanish authority there as of security to themselves. They have also prohibited their citizens from taking any part in the war, and the inhabitants of the colonies and other foreigners connected with them from recruiting men in the United States for that purpose. The proclamations which have been issued by the governors of some of the States and Territories at the instance of the President, and the proclamation lately issued by the President himself, are not unknown to your dovernment. This conduct, under such circumstances, and at such a time, is of a character too marked to be mistaken by the impartial world.

What will be the first result of the civil war which prevails between Spain and the Spanish provinces in America is beyond he reach of human forosight. It has already existed many years, and with various success, sometimes one party prevailing and then the other. In some of the provinces the success of the revolutionists appears to have given Spain, and remained they continued to overlook the injuries recei

The President by whose direction this reply was given was James Madison, one of the fathers of the Constitution, and joint author of the Federalist. That reply was given immediately after the struggles and sorrows of a war which had been in many respects disastrous and in which our Capitol had been burned. Our people were then in no frame of mind for further trials, and no jingo spirit prevailed then. It was the conservative action of a careful and most prudent statesman, and it was what we are asked to do to-day.

careful and most prudent statesman, and it was what we are asked to do to-day.

The President directed this act, but the Secretary of State who indited the letter was no less a man than James Monroe, he who defined American diplomacy in its widest American sense, and declared that the United States would not suffer foreign colonization or conquest on this side of the water, as the corollary and complement of the doctrine of Washington's Farewell Address, that we should not interfere upon the other side of the Atlantic. It is from Monroe's messages also that we discover that the policy and action by these letters was no mere diplomatic correspondence, but the definite and settled policy of our country. In November, 1818, he declared in his second annual message that the civil war continued between Spain and the provinces in South America, and there was cause to be satisfied with the course theretofore pursued. tofore pursued.

The description given of the confused state of the various re-

volts is interesting:

volts is interesting:

The civil war which has so long prevailed between Spain and the provinces in South America still continues without any prospect of its speedy termination. The information respecting the condition of those countries which has been collected by the commissioners recently returned from thence will be laid before Congress in copies of their reports, with such other information as has been received from other agents of the United States.

It appears, from these communications, that the Government of Buenos Ayres declared itself independent in July, 1816, having previously exercised the power of an independent government, though in the name of the King of Spain, from the year 1810; that the Banda Oriental, Entre Reos, and Paraguay, with the city of Santa, Fe, all of which are also independent, are unconnected with the present Government of Buenos Ayres; that Chile has declared itself independent, and now maintains the conflict with various success, and that the remaining parts of South America, except Montevideo and such other portions of the eastern bank of the La Plata as are held by Portugal, are still in possession of Spain, or in a certain degree under her influence.

By a circular note addressed by the ministers of Spain to the Allied Powers.

Portugal, are still in possession of Spain, or in a certain degree under her influence.

By a circular note addressed by the ministers of Spain to the Allied Powers, with whom they are accredited, it appears that the allies have undertaken to mediate between Spain and the South American provinces, and that the manner and extent of their interposition would be settled by a congress which was to have met at Air la Chapelle in September last. From the general policy and course of proceedings observed by the Allied Powers in regard to this contest it is inferred that they will confine their interposition to the expression of their sentiments, abstaining from the application of force. I state this impression that force will not be applied with the greatest satisfaction, because it is a course more consistent with justice, and likewise autorizes a hope that the calamities of the war will be confined to the parties only, and will be of shorter duration.

In his fourth annual message of November 14, 1820, he describes the gains of the colonies and concludes that it has been the uniform policy of the Government to promote an adjustment on the basis proposed by the colonies by friendly counsels with other powers, including Spain herself. How near to the policy proposed by the second resolution of the House this is need not be remarked.

The contest between Spain and the colonies, according to the most authentic information, is maintained by the latter with improved success. The unfortunate divisions which were known to exist some time since at Buenos Ayres, it is understood, still prevail. In no part of South America has Spain made any impression on the colonies, while in many parts, and particularly in Venezuela and New Grenada, the colonies have gained strength and ac-

quired reputation, both for the management of a war in which they have been successful and for the order of the internal administration. The late change in the Government of Spain, by the reestablishment of the constitution of 1812, is an ovent which promises to be favorable to the revolution. Under the authority of the Cortes, the Congress of Angostura was invited to open a negotiation for the settlement of differences between the parties; to which it was replied that they would unwillingly open the negotiation provided the acknowledgment of their independence was made its basis, but not otherwise. Of further proceedings between them we are uninformed. No facts are known to this Government to warrant the belief that any of the powers of Europe will take a part in the contest; whence it may be inferred, considering all circumstances which must have weight in producing the result, that an adjustment will finally take place on the basis proposed by the colonies. To promote that result by friendly counsels with other powers, including Spain herself, has been the uniform policy of this Government.

I anticipate that suggestion will be made that the correspond-ence already referred to only provides for the admission of ships of the insurgents into our ports, and not to our carrying on trade with such parties, and certainly not to trade in contraband of war. Such a construction is not fairly to be drawn from the ringing statements of Monroe. But fortunately we do not have to argue this question, for on the 4th day of March, 1821, in his second in-augural address, President Monroe declared distinctly that both Spain and the insurgents had had equal privileges with us in trade

and in obtaining munitions of war.

The passage is of the utmost importance.

The passage is of the utmost importance.

This contest was considered at an early stage by my predecessor a civil war, in which the parties were entitled to equal rights in our porta. This decision, the first made by any power, being formed on great consideration of the comparative strength and resources of the parties, the length of time, and successful opposition made by the colonies and of all other circumstances on which it ought to depend, was in strict accord with the law of nations. Congress has invariably acted upon this principle, having made no change in our relations with either party. Our attitude has therefore been that of neutrality between them, which has been maintained with the strictest impartiality. No aid has been afforded to either, nor has any privilege been enjoyed by the one which has not been equally open to the other party, and every exertion has been made in its power to enforce the execution of the laws prohibiting illegal equipments with equal rigor against both.

By this equality between the parties, their public vessels have been received in our ports on the same footing; they have enjoyed an equal right to purchase and export arms, munitions of war, and every other supply, the exportation of all articles whatever being permitted under laws which were passed long before the commencement of the contest; our citizens have traded equally with both, and their commerce with each has been alike protected by the Government.

Respecting the attitude which it may be proper for the United States to maintain hereafter between the parties, I have no hesitation in stating it as my opinion that the neutrality heretofore observed should still be adhered to. From the changes in the Government of Spain, and the negotiations now pending, invited by the Cortes and accepted by the colonies, it may be presumed that their differences will be settled on the terms proposed by the colonies. Should the war be continued, the United States, regarding its occurrences, will always have it in their power to ado

ng it as their honor and interest may require.

Resolutions for acknowledging the independence of the Spanish provinces were adopted by the House only in the spring of 1821.

December 3, 1821, President Monroe noticed the success of the colonies during the past year, the extension of their territories, strength, and harmony. He believed that Spain could not retain them by force, and that no condition short of independence would be satisfactory to them, and hoped that Spain, guided by liberal counsel, would consent thereto, stating that it would be the object of the Government of the United States to promote this result by friendly counsel with the Government of Spain. friendly counsel with the Government of Spain.

friendly counsel with the Government of Spain.

It is understood that the colonies in South America have had great success during the present year in the struggle for their independence. The new Government of Colombia has extended its territories and considerably augmented its strength; and at Buenos Ayres, where civil dissensions had for some time before prevailed, greater harmony and better order appeared to have been established. Equal success has attended their efforts in the provinces on the Pacific. It has long been manifest that it would be impossible for Spain to reduce these colonies by force, and equally so that no conditions short of their independence would be satisfactory to them. It may therefore be presumed, and it is earnestly hoped, that the Government of Spain, guided by enlightened and liberal councils, will find it to comport with its interests and due to its magnanimity to terminate this exhausting controversy on that basis. To promote this result by friendly counsel with the Government of Spain will be the object of the Government of the United States.

By special message of March 8, 1822, he favored the recognition of the independence of the southern Republics, and gave again his-

the independence of the southern Republics, and gave again historically the policy which had been pursued by the Government:

The revolutionary movement in the Spanish provinces in this hemisphere attracted the attention and oxided the sympathy of our fellow-citizens from its commencement. This feeling was natural and honorable to them, from causes which need not be communicated to you. It has been gratifying to all to see the general acquiescence which has been manifested in the policy which the constituted authorities have deemed it proper to pursue in regard to this contest. As soon as the movement assumed such a steady and consistent form as to make the success of the provinces probable, the rights to which they were entitled by the law of nations as equal parties to a civil war were extended to them. Each party was permitted to enter our ports with its public and private ships, and to take from them every article which was the subject of commerce with other nations. Our citizens, also, have carried on commerce with both parties, and the Government has protected it with each, in articles not contraband of war. Through the whole of this contest the United States have remained neutral and have fulfilled with the utmost impartiality all the obligations incident to that character.

In his annual message of December 3, 1823, he still cherished

In his annual message of December 3, 1823, he still cherished this hope, but sets forth definitely that the United States has remained neutral, allowing each party equal rights, and claiming from each the suppression of piratical practices and marked block-

A strong hope was entertained that peace would, ere this, have been concluded between Spain and the independent Governments south of the United States in this hemisphere. Long experience having evinced the competence of those Governments to maintain the independence which they had declared, it was presumed that the considerations which induced their recognition by the United States would have had equal weight with other powers, and that Spain herself, yielding to those magnanimous feelings of which her history furnishes so many examples, would have terminated, on that basis, a controversy so unavailing and at the same time so destructive. We still cherish the hope that this result will not long be postponed.

Sustaining our neutral position and allowing to each party while the war continues equal rights, it is incumbent on the United States to claim of each, with equal rigor, the faithful observance of our rights according to the well-known law of nations. From each, therefore, a like cooperation is expected in the suppression of the piratical practice which has grown out of this war and the blockades of extensive coasts on both seas, which, considering the small force employed to sustain them, have not the slightest foundation to rest on.

Finally, in 1823, the Holy Alliance for the reestablishment of the power of Spain over her colonies rendered it necessary that the President should proclaim the doctrine so often cited, and which can not be quoted too often, in which, after stating the friendly sentiment of our citizens to their fellow-men across the Atlantic, and that we are unwilling to take any part in their own wars, he states that we owe it to candor and to those friendly relations to declare as to the Governments who have declared their independence and maintained it that "we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.1

In the war between those Governments and Spain we declared our neutrality at the time of their recognition, and to this we have adhered and shall continue to adhere, provided no change shall occur which in the judgment of the competent authorities of this Government shall make a corresponding change on the part of the United States indispensable to their security. * * * It is impossible that the Allied Powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition in any form with indifference. If we look to the comparative strength and resources of Spain and those new Governments, and their distance from each other, it must be obvious that she can never subdue them. It is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course.

On December 7, 1824, he refers to the fact that we have ministers residing in Colombia and Chile, and have received ministers from Colombia, Guatemala, Buenos Ayres, and Mexico, and in the same message he states that they are settling their own Governments; that we have not interfered in their instituting such government as might suit them best in the expectation that other powers will pursue the same policy.

The deep interest which we take in their independence, which we have acknowledged, and in their enjoyment of all the rights incident thereto, especially in the very important one of instituting their own governments, has been declared, and is known to the world. Separated as we are from Europe by the great Atlantic Ocean we can have no concern in the wars of the European governments, nor in the causes which produce them. The aliance of power between them, into whichever scale it may turn in its various vibrations, can not affect us. It is the interest of the United States to preserve the most friendly relations with every power, and on conditions fair, equal, and applicable to all. But in regard to our neighbors our stituation is different. It is impossible for European governments to interfere in their concerns, especially in those alluded to, which are vital, without affecting us; indeed, the motive which might have induced such interference in the present state of the war between the parties, if a war it may be called, would appear to be equally applicable to us. It is gratifying to know that some of the powers with whom we enjoy a very friendly intercourse, and to whom these views have been communicated, have appeared to acquiesce in them.

It is unprecessary to point out that our policy throughout was

It is unnecessary to point out that our policy throughout was one of strict fairness and equality. No acknowledgment of independence was made until that independence had been thoroughly pendence was made until that independence had been thoroughly established. President Jackson, in his message in relation to Texas, on December 21, 1886, protested rightly that an acknowledgment of independence is an act of great delicacy and responsibility, and that all questions relative to the government of foreign nations, whether of the Old or New World, had been treated by the United States as questions of fact only, and that his predecessors had cautiously abstained from deciding upon them until the clearest evidence was in their possession, to enable them not only to decide correctly, but to shield their decisions from every unworthy imputation. He proceeds:

unworthy imputation. He proceeds:
In all contests that have arisen out of the revolutions of France, out of the disputes relating to the Crowns of Portugal and Spain, out of the separation of the American possessions of both from the European governments, and out of the numerous and constantly occurring struggles for dominion in Spaniah America, so wisely consistent with our just principles has been the action of our Government that we have, under the most critical circumstances avoided all censure and encountered no other evil than that procured by a transient estrangement of good will in those against whom we have been by force of evidence compelled to decide.

It has thus made known to the world that the uniform power and practice of the United States is to avoid all interference in disputes which merely relate to the internal government of other nations, and eventually to recognize the authority of the prevailing party without reference to our particular interests and views, or to the merits of the original controversy.

But we have seen that in making this statement the President was referring to the recognition of independence and not to the granting of belligerent rights and privileges. He is speaking of the fairness of the United States, and that fairness had actually

consisted in granting equal rights of war and peace to all of the

contending parties. He was not asked to prohibit trade with Texas, or to deny the rights of war, and never did so.

The accord of belligerent rights is an act. It is necessary for fairness when war is really being carried on. If any party really carrying on war is to be blockaded, or rather embargoed, by every civilized nation, its condition is wretched indeed. It is not neutrality, but taking sides, to refuse to give to each of two belliger-ents the rights of war and peace. When we consider that two years ago the Administration allowed the Navy of the United States to open a blockade which had been established by one party States to open a blockade which had been established by one party in Brazil against the other as to the city of Rio Janeiro, and that we did this upon the ground that the blockaders had not been recognized as belligerents and therefore could institute no blockade, it becomes idle to pretend that refusal to recognize belligerency is not taking sides. That interference of our Navy absolutely crushed the party against whom it was taken.

This resolution proposes an act of fairness, that we shall stand off and help neither side, but that each shall be free to fight it our with equal privileges in our parts and trade. It means no un-

with equal privileges in our ports and trade. It means no un-friendliness to either: it means that we will give fair play to both. We do not speak here of barbarities, cruelties, oppressions, and We do not speak here of barbarities, cruelties, oppressions, and reprisals otherwise than to deplore the horrors of war. We are not arbiters as to which side is responsible, but we do say by this resolution that in accordance with the traditional policy of our Government, the ordinary rights of war, including such trade as may lawfully be carried on with a belligerent according to the law of nations, shall not be denied to either of the contestants. And in so doing we rely not only upon the law of nature and nations, the rules of fairness and equity, but upon the expressed declarations and example of a father of the Constitution and of the great captain and guide who formulated and established the American policy and the American law of nations.

Coin Redemption Fund.

SPEECH

OF

HON. JOSEPH WHEELER.

OF ALABAMA.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 6, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of cartificates of indebtedness to meet temporary deficiencies of revenue—

Mr. WHEELER said:
Mr. Chairman: The very distinguished gentleman, the chairman of the Committee on Ways and Means, the premier of the House of Representatives [Mr. Dingley], who has just concluded his remarks, most unquestionably made an eloquent, able, and very forcible argument upon the question now before the House, and his speech appeared to be so plausible that men who have for a long time been favorable to silver legislation murmured around me that the arguments of the gentleman from Maine were unanswerable. They presumed, of course, that the premises laid down by the gentleman from Maine [Mr. Dingley] were correct; but I assert, without fear of contradiction, and I shall prove it, that every statement made by him tending to support his advocacy of the gold standard, so far from being founded on fact, was directly the reverse; and I further assert that every correct premise laid down by him, so far from sustaining this gold-standard argument, had the contrary effect. had the contrary effect.

UNQUESTIONED TRUTHS.

Before I proceed with my argument I will lay down the following unquestioned truths: Every law ever enacte

Every law ever enacted by this or any other country which tended to enlarge the money of ultimate redemption was followed by a period of great prosperity.

Every law ever enacted which tended to reduce the money of ultimate redemption has been immediately followed by panic and

The laws enacted by the Roman people which reduced the amount of money were followed by poverty, misery, degradation, and serfdom which prevailed throughout that period called the "Dark Ages."

The introduction of the enormous production of gold and silver from the mines of South America was followed by an era of pros-perity and a new civilization. When we come to our country we find that the same causes were followed by like results. The free-

and-unlimited-coinage laws which were enacted prior to 1850 and the bounteous supply of gold which commenced at that period were followed by a period of great prosperity. The law of 1857, which deprived foreign silver of its full legal tender, was followed by a money panic. The law of 1873, demonetizing silver, was followed by panic, falling prices, and distress. The act of 1878, providing for silver coinage, was followed by an era of almost unparalleled prosperity. The acts of 1890 repealing the coinage law and the acts of 1893 which stopped all increase of money were followed by panic, falling prices, and distress, from which we are still suffering. still suffering. MY DUTY TO MY PEOPLE.

My investigation of this question has imbued me with a deep-My investigation of this question has imbued me with a deep-seated conviction that silver coinage is essential to the prosperity of the people I represent. I regret very much that my duty impels me to differ on this question from men very high in power and for whom I have the most profound regard and esteem. Their associations have been very largely with the moneyed people of New York and other commercial centers, and no doubt they are right that the wealth and prosperity of that class of people would be enhanced by maintaining the gold standard; but just in proportion as they are benefited the great farm producers of the South and West are made the sufferers. and West are made the sufferers.

The history of the world shows that all countries which legislate for those who have wealth or fixed salaries is certain to decline and decay, and that all countries which have legislated for the benefit of the producing and industrial classes have been

blessed with progress, happiness, and prosperity.

I shall now, as heretofore, concede to those who take a different view from myself the most unquestioned integrity of purpose, and my only regret is that they do not realize the effect of the gold standard upon that most worthy class—the farmers of the United States—who grow the cotton and wheat which we export in com-

petition with the silver-producing countries.

I shall also comply with the request of the distinguished gentleman who preceded me, and shall not, to use his language, spend

in mere assertions and declamations about the importance of bimetallism.

But, to again use his language, I shall endeavor topresent to the House and country the grounds on which assume that such coinage would result in giving us such bimetallism.

LORD MACAULAY ON THE AVARICE OF WEALTH.

Lord Macaulay, in one of his writings, in referring to the cupidity of the creditor and the money class, said:

If large financial interests were interested in denying the law of gravita-ion, that proposition would be ably disputed.

If Macaulay had lived until to-day he would have seen a remarkable exemplification of the truth of this in the speeches and arguments of the gold-standard advocates.

PROSPERITY A STRONGER FORCE THAN GRESHAM'S LAW.

Mr. DINGLEY asserts as positively as is possible to be done in the English language that silver coinage would speedily drive all gold from its use as money in this country. His exact language

For myself, I never was more confident of any fact in finance than I am that such coinage of silver as is proposed would speedily drive gold from its use as money in this country and leave us with nothing but silver. I shall listen attentively and with a receptive mind to any facts and arguments which may be adduced to maintain otherwise.

This is precisely the argument which was made by every advocate of the gold standard when the silver bill was being discussed in 1877 and 1878. The gentleman read tables similar to those we find on page 294 of the Report of the Director of the Mint, which show that during the sixteen years prior to 1878 the United States exports of gold exceeded our imports of gold by \$583,831,117; in other words, the United States had lost gold to that amount. The reports of the Secretary of the Treasury also state that in 1878 the Treasury Department estimated the specie in the country at \$102,-047,907. This included both gold and silver, and the voices of the gold-standard men resounded through this Hall proclaiming that if we enacted the silver-coinage law then pending every dollar of gold would leave us. gold would leave us.

SILVER COINAGE BRINGS GOLD TO THE UNITED STATES

Notwithstanding this scarecrow talk, we enacted the silvercoinage law of 1878, and instead of gold leaving the United States,
as was so emphatically predicted, it commenced coming to our
country; and during the twelve years of the existence of the silvercoinage law of 1878, so far from losing any gold, we gained gold
to the amount of \$165,254,995. As this is a very important point,
I give below the exact figures of imports and exports of gold to
and from the United States from 1861 to 1878, during which we
had practically no silver coinage of standard silver money, the
total coinage of silver dollars during that period being but \$3,462,180. I also add a table giving the total amounts of exports and
imports of gold during the twelve years' existence of the silvercoinage law of 1878.

Table showing the value of gold coin and bullion imported into and exported from the United States from 1963 to 1877, the sixteen years before the passage of the silver-coinage act.

Year ending June 30—	Exports.	Imports.	Excess of exports over imports.	Excess of imports over exports.
1862	\$35, 439, 908 6, 199, 270 100, 661, 664 58, 381, 063 58, 381, 063 571, 197, 309 39, 035, 627 73, 396, 344 35, 903, 498 34, 535, 962 49, 548, 700 44, 566, 715 34, 042, 420 66, 999, 977 31, 177, 050	\$18, 907, 011 5, 530, 538 11, 176, 769 6, 498, 228 8, 196, 261 17, 024, 806 8, 737, 443 14, 132, 568 12, 566, 950 0, 883, 561 8, 717, 458 8, 692, 447 10, 503, 137 13, 680, 793 7, 902, 709	\$21, 532, 892 89, 434, 865 51, 882, 905 63, 001, 048 22, 001, 701 21, 870, 930 21, 870, 930 21, 579, 012 50, 802, 647 40, 831, 302, 283 53, 284, 184 33, 184, 341	
1876 1877 Total, 1862-1877	26, 590, 374	26, 246, 234 188, 962, 873	344, 140 583, 831, 117	

This is unquestioned proof that in a period of sixteen years dur-This is unquestioned proof that in a period of sixteen years during which we did not coin silver we lost \$583,831,117. It is true that gold was at a discount all that time, and that, of course, is one reason why we lost gold. I now give a table which I have prepared, showing that during the twelve years of silver coinage we gained \$165,254,995 of gold. Bear in mind that during that twelve years we coined silver to the amount of \$382,318,867, an annual average of \$31,859,905.58. The table is as follows:

Table showing the value of gold coin and bullion imported into and exported from the United States from 1878 to 1890, while the silver-coinage act was in

Year ending June 30—	Exports.	Imports.	Excess of exports over imports.	Excess of imports over exports.
1878 * 1879	\$919,861 4,587,614 3,639,025	\$1,623,266 5,624,948 80,758,396		\$703, 405 1, 037, 334 77, 119, 371
1882 1882 1883	2,565,132 32,587,880 11,600,888	100, 031, 250 34, 377, 054 17, 734, 140	***************************************	97, 466, 127 1, 789, 174 6, 133, 261
1884	41,081,957 8,477,892 42,952,191 9,701,187	22, 831, 317 26, 691, 696 20, 743, 349 42, 910, 001	\$18,250,640 22,206,842	18, 213, 804 82, 208, 814
1888	18, 376, 234 59, 952, 285 17, 350, 198	43, 934, 317 10, 284, 858 13, 097, 146	49, 667, 427 4, 253, 047	25, 558, 088
July 1 to 14, 1890	1, 396, 876 263, 379, 215	802, 454 421, 235, 210	504, 422 94, 974, 378	260, 229, 377

* From April to June 30.

Now, to show how thoroughly this was the free-coinage period of our country, I will call attention to the fact that during this twelve years we coined more silver than during the remaining ninety-four years of the existence of our Government under the Constitution, our entire silver coinage during those ninety-four years being only \$329,665,546.25, an annual average of \$3,507,080.25. This shows that during the period to which I have alluded our average annual silver coinage was ten times as great as during the

other years of our history.

With the numerous evidences of the beneficence of silver coinage before us, the Republican party in 1890 repealed the silver-coinage law of 1878 and enacted the disgraceful bullion law called comage law of 1878 and enacted the disgraceful bullion law called the Sherman Act. This stopped the coinage of silver, and gold immediately commenced to leave our country just as it did prior to the passage of the silver-coinage act. I now present a table which I have prepared showing the exports and imports of gold from July 1, 1890, the time of the repeal of the coinage law, to July 1, 1895. The table is as follows:

able showing value of gold coin and bullion exported from and imported into the United States during the years 1890 to 1895, and showing excess of exports over imports during those years.

Year ending June 30—	Exports.	Imports.	Excess of exports over imports.
1801	\$66, 462, 890 50, 305, 533 108, 996, 655 77, 162, 228 66, 502, 136	\$18, 516, 112 50, 162, 879 22, 069, 380 72, 980, 563 36, 384, 700	\$07, 946, 768 142, 654 86, 897, 275 4, 172, 665 30, 117, 376
Total	389, 399, 432	200, 122, 694	180, 276, 738

This shows that during the five years since the repeal of the beneficent and wise silver-coinage act of 1878 we have lost \$189,-276,738 of gold. But the real condition is worse than that, because during that time we have exchanged interest-bearing bonds for \$182,000,000 of gold to replenish the constantly diminishing gold in the Treasury, and it is contended that most of this came from Europe; so that during this period of legislation which Democrats denounced we have lost gold to an amount exceeding \$300,000,000; and most of this has been lost since the repeal of the purchasing clause of the Sherman Act, on November 1, 1893, predicted such a result in my speeches upon that bill.

GOLD GONE TO EUROPEAN TREASURIES

I will now present a table showing that the gold we have lost since November, 1893, has gone to European banks.

Table showing amount of gold in eight principal banks of Europe at the date of the repeal of the Sherman Act and at recent dates.

Bank.	November, 1863.	Recent reports.	
Bank of England	330, 620, 200 51, 954, 400 189, 238, 700 19, 918, 500 13, 923, 000	\$224, 800, 000 402, 795, 335 124, 220, 000 249, 369, 183 26, 074, 707 21, 303, 985 40, 030, 030 56, 438, 200	
	813, 839, 700	1, 144, 646, 420	

LOSS OF GOLD TO THE TREASURY SINCE SILVER DEMONETIZATION.

I will now present a table which I have prepared showing the gain of net gold to the Treasury during the silver-coinage period, 1878 to 1890; also the loss of gold from July 4, 1890, to November 1, 1893; also the loss from November 1, 1893, to the present time.

Table showing the gain of gold to the Treasury during the eilver-coinage period, and the loss of gold since the enactment of the law of July 16, 1890, repealing the silver-coinage law.

	Net gold.
Gain of gold to the Treasury from June 30, 1878, to date of coinage repeal, July 14, 1890. Loss of gold to the Treasury during operation of Sherman law, from July 14, 1890, to November 1, 1803. Loss of gold to Treasury from November 1, 1893, to date	\$86, 609, 872 105, 847, 543 235, 765, 151 341, 612, 694

On February 1, 1896, the outstanding obligations payable in coin, any or all of which may be presented at any time for redemption,

United States notes, called greenbacks	110.221.185
	-

I have included the national-bank currency in the above because this currency can be presented at the counters of the national banks for redemption, or it can be presented in the reserve city where the banks located out of cities keep their accounts.

where the banks located out of cities keep their accounts. These reserve banks would of necessity redeem the national-bank currency in either greenbacks or gold or standard silver dollars, but practically they would redeem them in either greenbacks or gold, because there are only \$56,629,676 standard silver dollars in circulation, and nearly all of these are in the hands of the people and not in possession of the banks.

INEVITABLE ALTERNATIVES.

It must be clear to anyone that if we continue to pay out gold when these obligations are presented (any one of which can be just as well paid in silver) that this drain upon the gold in the Treasury will never cease. The one way to stop it is to provide for silver coinage and pay the obligations in silver as is authorized the large of the control o for silver coinage and pay the obligations in silver as is authorized by law. If we do not do this, it can only be stopped by retiring the entire \$559,000,000 of obligations, and this would bring about such a contraction of the currency as would cause a distress never before experienced by the American people. These propositions can not be denied. I call upon any member of this House to attempt to controvert them. Congress may resort to makeshift after makeshift, but they will finally find that we are reduced to one or other of the two alternatives which I have announced.

Mr. Dividley agas:

Mr. DINGLEY says:

The people of this country, in my judgment, will never consent to the adoption of any policy which will deprive us of gold.

I respectfully ask if the evidence I have produced does not show that the Senate bill will tend to bring gold to us and not to deprive us of that metal?

During all this period of twelve years of the existence of the silver-coinage law of 1878 the gold in the gold dollar was worth on an average about 20 per cent more than the silver in the silver dollar, and the Gresham law, a law or principle the force of which I fully admit, was constantly acting upon our gold and driving it, or tending to drive it, in a steady current from our shores; but this driving force of the Gresham law during the twelve years' existence of the silver-coinage law of 1878, was met, counteracted, and overcome by a force so far exceeding the strength of the Gresham law as to more than meet and neutralize its power, and that force was the energizing effect of the silver-coinage law of

This law told the world that this, the greatest silver-producing country of the world, had entered upon a field of bimetallism.

The owners of money throughout the world knew that this law,

if executed in good faith, would practically double the money of ultimate redemption in the United States.

The business men of this country and the moneyed men of other countries who invest in the United States believed that a law enacted by so nearly a unanimous vote would be executed in good faith by the executive branch of the Government, and they be-

lieved that it would energize every industry and cause all products and all other property to rise in value.

This presented a most inviting field for the investor, and almost immediately after the passage of that law the falling prices and lethargy which had characterized our history since 1873 under work in the product of the product of the contract of the contr

went a change. Industries of all kinds were inaugurated; labor was all employed and wages were increased; property took a steady rise, and an era of great progress and prosperity commenced.

If I had time I would show the effect of demonetization and remonetization upon all kinds of property, but it will sufficiently illustrate my argument to show the effect upon the leading railroad stocks as quoted in the New York market.

GREAT PROSPERITY FOLLOWS COINAGE ACT OF 1878

In order to show at a glance the marvelous decrease in the value of property caused by the demonetization of silver in 1873 and the phenomenal increase in values by the partial remonetization of silver in 1878, I ask the attention of Congress to the following figures taken from the Financial Review of 1882, published under the shadows of Wall street, New York.

I place in the first column the selling price of the principal railroad stocks just prior to the demonetization of silver in February, 1873. In the second column I put the selling price of the same railroad stocks after the people had realized the baneful effects of the iniquitous act of 1878. I then put in a third column the selling price of the same stocks after the country began to feel the effect of the restoration of silver by the act of 1878.

	Price just prior to demon- etiza- tion of silver, 1873.	Price after the de- moneti- sation of sil- ver.	Price after the re- moneti- sation of sil- ver, 1878.
Albany and Susquehanna Chicago and Alton Chicago Burlington and Quincy Chicago and Rock Island Columbus, Chicago and Indiana Central Cleveland, Columbus, Cincinnati and Indianapolis. Cleveland, Columbus, Cincinnati and Indianapolis. Cleveland and Pittsburg Delaware, Lackawanna and Western Dubuque and Sioux City Erie Erie Bris preferred Harlem Illinois Central Lake Shore. Louisville and Nashville Marietta and Cincinnati first preferred. Memphis and Charleston Michigan Central Missouri, Kansas and Texas Morris and Essex Norvis and Essex New York Central and Hudson River Ohio and Mississippi Ohio and Mississippi preferred. Panama Pittsburg, Fort Wayne and Chicago Rensselaer and Saratoga. St. Louis and Iron Mountain Union Pacific	123 115 118 94 100 80 00 82 125 125 177 70 88 55 110 40 40 106 40 106 1106 40 106 1106 40 106 1106 40 106 106 106 106 106 106 106 106 106 10	58 85 76 60 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	133 156 148 28 101 142 181 181 185 250 250 146 136 136 146 131 115 20 20 146 146 146 146 146 146 146 146 146 146

These figures show that the demonetization of silver in 1873 caused the withdrawal of money from the markets and a fall in the value of all kinds of property. It shows that railroad stocks fell in many cases to a mere fraction of their value prior to 1873, and it also shows after the remonetization of silver in 1878 all property rose in a remarkable degree in value. It is no doubt true that the prices of these stocks were affected in some degree by

other causes than the demonetization and remonetization of silver, but I insist that that was by far the most potent of all influences that bore upon them.

Other things besides stocks were affected in the same way. Wheat sold for \$2.25 a bushel just prior to February, 1873, and after 1873 fell as low as 83 cents a bushel, and after the remonetization of silver it rose, selling as high as \$1.59 a bushel. We have seen that cotton was 26 cents just prior to demonetization and that it fell to 8½ cents after the demonetization, although the slight increase in the crops was by no means equal to the increased demand.

increased demand.

Now, after the remonetization of silver, cotton rose to 12‡ cents in the face of the fact that crops increased from 4,800,000 bales in 1876-77 to 6,992,234 bales in 1882-83.

This is another proof of the detrimental effects of demonetization

of silver and the energizing and beneficial effects of its remoneti-

of silver and the energizing and beneficial effects of its remonetization. [Applause.]

I think the unquestioned evidences which I have presented not only fully refute Mr. Dingley's argument that silver coinage will cause gold to leave our country, but also prove precisely the contrary. The fall in prices after demonetization in 1873 shows that this caused money to be withdrawn from investments and from this country, and also shows that the silver-coinage act of 1878 caused money to come to this country to seek investment.

The reason why silver coinage caused gold to come to our country is perfectly clear to any man who has given this subject proper investigation and study. The enactment of the silver-coinage act of 1878 informed the world that the United States had adopted the policy of coining substantially her entire silver product into standard silver dollars, which were to be receivable in payment of all dues and debts. This was understood to mean that silver was to be treated the same as gold, and that the money of ultimate redemption was to be doubled, and every moneyed man in the world understood that this would cause a rise in the value of all products and property, or, which is the same thing, a fall in the value of more. and property, or, which is the same thing, a fall in the value of money. This of necessity caused everyone who had money to seek to invest it in property or in manufacturing and other enterprises. This of necessity energized every industry, and money was sent to America to enjoy a profitable investment in enterprises and the general enhancement of property. During this twelve years of silver coinage the value of silver in the silver dollar was on an enterprise and the general enhancement of property. years or silver coinage the value of silver in the silver dollar was on an average worth in the markets about three-fourths as much as the gold in the gold dollar, and therefore the Gresham law was constantly working with full force on all the gold in the country, and the reason why it did not cause gold to leave the country was that the energizing effect of silver coinage upon our industries was such and the profit in all investments was so great that all the force of the Gresham law was overcome, and the current of gold was toward our country and not from it.

ANOTHER MISTAKE OF MR. DINGLEY AS TO EFFECT OF SILVER COINAGE.

After stating that the value of 871‡ grains of fine silver bullion would be substantially the same as the silver when coined into a standard silver dollar, the distinguished gentleman makes the assertion that it follows that if we enacted a silver-coinage law gold would not be brought to our mints for coinage, and that even the gold already coined would be withdrawn from use as money, and gold bullion and coined gold would become merchandise

Mr. DINGLEY's language was:

It must be conceded that under free and unlimited coinage of private silver bullion there could be no material difference in market value between 3712 grains of fine silver in the form of bullion before coinage and 3712 grains of silver coined into a standard silver dollar.

Mr. DINGLEY also stated in his speech:

It is idle to claim that if the mints of the United States could be opened to the free coinage of silver on the basis of 16 to 1 the old relative value of sil-ver and gold which existed before these new conditions came in would be

These two assertions by Mr. DINGLEY show that his contention is that unlimited silver coinage would not enhance the value of

On the contrary, we insist that if our Government coined and treated silver the same as gold, the silver in the silver dollar would rise in value, and as the discrimination in favor of gold would cease and gold would no longer be the only money of ultimate redemption, the value of the silver in the silver dollar and that of the gold in the gold dollar would rapidly approach each

MR. DINGLEY'S ARGUMENT REPUTED BY HISTORY.

Now, Mr. DINGLEY seeks to combat this position, and, contrary to all precedents and teachings of history, asserts that it would follow that no gold would be brought to our mints. His words

It follows from this that gold would not be brought to our mints for coinage on the basis of regarding I ounce of gold as the equivalent in coinage of only 16 ounces of silver—

And he insists this would be the result unless this coinage doubled the value of silver as measured by gold. And unless this

esult was attained, which he contends would not be possible, Mr. DINGLEY SAYS:

Gold would not be taken to our mints for coinage, and even that already coined would be withdrawn from use as money, and both gold bullion and coined gold would become merchandise and be sold and exported as such. A BRAND-NEW SCARECROW.

This, Mr. Chairman, is a brand-new scarecrow which the goldstandard advocates have thrust upon the people, and it is as fallacious and unfounded and untrue as their many other arguments and assertions which they make to substantiate their position. In utter refutation of this position taken by Mr. Dingley I ap-

peal to history and experience.

In 1877 the House passed a free silver coinage law, and in 1878 a law which was substantially a free-coinage law was enacted by a law which was substantially a free-coinage law was enacted by Congress. Now, if the gentleman was correct in the statement that the passage of a free-coinage law would have the effect to stop gold being carried to the mints, then that law of 1877 and 1878 would have stopped gold being carried to the mints for coinage; but quite the contrary. The year preceding the passage of that law the coinage of gold in the United States was but \$43,999,-904, while in the year after the passage of the law it. 804, while in the year after the passage of the law it rose to \$62,308,279, and the next year to \$96,850,890. So that the very reverse took place, and instead of gold not being carried to the mints it was carried to the mints in increased ratio.

It is true that in 1883 and 1884 there was a falling off in the coinage of gold, but the reason for that was that there was a falling age of gold, but the reason for that was that there was a falling off in the production of gold, and the additional reason that the demand for gold for the arts was so largely increased that in 1883 \$14,458,000 and in 1884 \$14,500,000 was used for the arts in the United States, and the gentleman will see from the Report of the Director of the Mint that every dollar of gold produced in America after the passage of the free-silver laws of 1877 and 1878, that was not used in the arts, was carried to the mints for coinage. The fact that the law of 1878 provided for the annual coinage of nearly \$40,000,000 of silver of necessity largely occupied the capacity of our mints, and therefore very naturally, to some extent, impeded gold coinage; but it appears that even this impediment was overcome and gold coinage rapidly increased.

THE REFUTATION COMPLETE I respectfully ask the gentleman from Maine, does he want any more thorough refutation of his statement than that? I can easily add additional evidence. If the logic of the gentleman is correct, that the coinage of silver would prevent the coinage of gold, then by the same logic a law which repeals a silver-coinage law and demonetizes the metal would cause a great increase in the coinage of gold; but we find on examination that when we demonetized silver in 1873 gold coinage did not increase, but actually decreased. In 1873 we coined \$57,032,747.50 in gold. The year after demonetization, instead of the gold coinage rising, it fell to \$35,254,630, and the next year it fell to \$32,951,940. We thus see that Mr. Dingley is refuted on all sides.

Gold-standard advocates tell us that the gold, silver, and paper money which now exists in the United States is much greater than it was during the period of great prosperity from 1850 to 1861. I do not doubt this; but no one denies that, notwithstanding this large increase, nearly all of it is concentrated in the banks of New York and other large cities.

CAUSE OF MONEY FAMINE IN RURAL SECTIONS The money in the rural sections has been gradually decreasing until there is a money famine in all the rural sections of the United States. The reason for this is apparent to everyone, and to remedy this unnatural condition is the effort of the Democratic party. Prior to 1861 the States of the entire Union in exercising their soverign power enacted banking laws, which were gradually improved and perfected. Under this system banks were established in all parts of the United States, the vault of each bank being the point of issue and redemption of its currency. The consequence was that the financial and business needs of every locality determined the amount of currency which was issued by the banks of each section of our land. When the war commenced, Congress entertails and the section of our land. They were framed acted what are called the national banking laws. They were framed and dictated by the moneyed men and the bankers of New York, and dictated by the moneyed men and the bankers of New York, who took special pains to so frame the laws as to give them the monopoly of banking and the substantial control of the money of the United States. By these laws all bankers other than national bankers were prohibited from issuing any currency by the attachment of a penalty of 10 per cent on every dollar issued. This gave the national bankers the monopoly of issuing currency. These men possessed vast amounts of personal property, and in order to give them the monopoly of borrowing from these banks they secured the enactment of a provision which prohibited national banks from loaning money unless it was secured by the kind of property which they had and which the mass of the people did not have. This made it impossible for the great mass of our people of the United States, whose property consisted of land or other real estate, to borrow one dollar from the national banks, which under the law were the only banks of issue allowed to exist. This the law were the only banks of issue allowed to exist.

monopoly, of course, resulted in the northeastern moneyed men be coming owners of substantially all the money and bonds issued the Government.

REPUBLICANS LEGISLATE FOR BONDHOLDERS AND CAPITALISTS.

In 1860 the currency of the country was at a discount of 30 or 40 per cent, and all bonds stated upon their face that they were payable in this currency. The bondholders were so powerful that in March, 1869, they induced a Republican Congress to enact a law stating that their currency bonds should be paid for in coin. At that time the silver in a silver dollar was worth as much and even more than the gold in a gold dollar, and therefore they did not designate the kind of coin that they were to receive; but, realizing that to reduce the amount of coin would enhance its value, in 18 they again exercised their influence over Congress and secured the they again exercised their innuence over Congress and secured the enactment of a law demonetizing silver, which, of course, enhanced the value of gold and at the same time necessitated the payment of their bonds in that metal. The depression and distress which followed this enactment brought about a revolt, which resulted in the passage of the silver-coinage laws of 1877 and 1878. At that time the House of Representatives was overwhelmingly Democratic, but this same moneyed power induced the Republican Congress in July, 1890, to repeal this law, and from that time to this the struggle has continued between the moneyed power to

maintain the gold standard and the people to restore bimetallism.

It was this same influence which secured the repeal of the purchasing clause of the Sherman Act. This moneyed power has become possessed of substantially all the gold in the United States, and they are here insisting that this gold which they own, and which could be put into one large iron safe, shall be the money of ultimate redemption in the United States.

ultimate redemption in the United States.

ALL GOLD NOW CENTERED IN NEW YORK.

I have heretofore illustrated how the financial legislation of the Republican party has concentrated the wealth of the land in New York and other money centers. The bank clearings of New York City last week were \$560,862,293, while the bank clearings of all the rest of the United States were only \$439,044,111, and those of the South were absolutely insignificant.

In this same line, the newspapers of to-day publish the list of the successful bidders for the \$100,000,000 of bonds, showing that substantially all the gold in the United States is concentrated in New York, Boston, and Philadelphia. The entire amount to be paid for the bonds is \$111,378,836, and of this \$97,196,477 is to be aid in the city of New York, while all the States south of the Potomac and Ohio rivers only secured \$196,600 of the bonds, for which they are to pay \$222,086. In other words, New York City alone was able to purchase 450 times as much as all the States

south of the Ohio and Potomac.

The population of New York City is 1,515,301, while the New York City is 1,515,515, while the New York Cit lation of the States south of the Potomac and Ohio is 18,327,704, more than 12 times the population of the city of New York, and therefore the gold per capita of New York City is 5,400 times the per capita in these Southern States, and this is the result of the financial legislation which I denounce.

A THREADBARE GOLD-STANDARD SCARECROW.

The distinguished gentleman [Mr. DINGLEY], in referring to the Senate substitute, which provides for silver coinage, says: If this substitute should become law there is not a man in this country who has money to loan to the Government but would take alarm if such legislation should be had at this time.

Now, Mr. Chairman, this is one of the threadbare scarecrows which the gold-standard men have been reiterating for the last twenty years. To show its utter fallacy I have only to state that less than five days ago the Senate of the United States by a very decided majority passed the substitute we are now considering, which provides for the free and unlimited coinage of silver and also provides that the Secretary of the Treasury shall redeem obligations which are payable in-

either gold or allver coins or both, not at the option of the holder, but exclusively at the option of the Treasury Department.

Now, with this decisive action of the highest branch of the lawmaking power of our country, we see by this morning's paper that the people of the world are offering to buy \$100,000,000 of coin bonds at a premium of more than \$11,000,000, and that the anxiety to take this loan is so great that 44,640 persons or syndicates have applied for the loan, and the total applications aggregate \$558,-269,850. This shows conclusively that the enactment of this law would not alarm persons who have money to loan, and it is an overwhelming argument that the financial men of the world believe as I do, that if this great and powerful Government enacts this law and reaffins the determination which was expressed in the Democratic platform of 1892-

To hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discrimination against either metal—

it will establish and maintain a parity between gold and silver and cause the financial men of the world to be indifferent whether the payment of these bonds is made in one metal or the other.

During years of service with Mr. DINGLEY I have been deeply impressed with his great learning and superb ability, and the fairness and logical trend of his arguments, and when we see that this distinguished man, the premier of the House of Representatives, has been betrayed into laying down as the premises upon which he based his argument a series of fallacies and unwarranted assertions, we naturally look in astonishment to find how such a phenomenon has been accomplished.

Anyone who has watched the press of the Northeast during the

last few years must have been forcibly impressed that some gigantic power was exercising itself in an effort to convince the people of the United States that the interest of our country could be best served by the establishment of the gold-standard policy.

GOLD STANDARD LITERARY BUREAU.

Not willing to trust this matter to the influence of the great dailies of the Northern cities alone, the bankers and money monopolists established what they denominated a reform club, the purpose of which is to publish documents in advocacy of the gold standard, which documents for the last two years have been spread all over the United States. I hold in my hand a report of the committee of the club, which is engaged in this work. We find by this report that prior to its publication they had distributed 9,700,000 of these documents and were sending them out on an average of about 1,000,000 documents a month. It seems to an average of about 1,000,000 documents a month. me that this report shows that they have exercised every conceivable means which the use of money could by any possibility exercise to influence public opinion in favor of the gold standard.

cise to influence public opinion in favor of the gold standard.

1. They employ and pay public speakers.

2. They send out what they call sound-currency periodicals.

3. They advertise in newspapers throughout the country that this sound-currency literature will be supplied from the newspaper offices free of charge.

4. They supply, free of charge, any and all papers of the United States, which will accept them, broadside supplements of type and form similar to the papers to which they are sent, filled in with cold-standard arguments. gold-standard arguments.

5. Plates containing gold-standard arguments are also sent to all the papers that will accept them.

6. A special bureau is established which employs a corps of con-

tributors of articles advocating the gold standard.
7. They have a cartoon bureau which distributes cartoons intended to be arguments for the gold standard.
8. They then have a general distributing bureau to aid all the

other bureaus.

9. They inaugurate plans for conventions to pass resolutions in favor of the gold standard, and adopt any and all means to exercise influence over political conventions.

These are only some of the methodsadopted by this bureau, and they express their determination to place the documents they have prepared advocating the gold standard before every reader in the United States, and as everything distributed by them is prepared by men of the highest possible literary attainments, it is not surprising that they are so plausible as to deceive and mislead the general public, and therefore we are not surprised that they have misled as thoroughly an informed man as we all know Mr. DINGLEY to be.

COINING BILVER AND PAYING IT OUT THE SAME AS GOLD IS NOT BAD FAITH.

The gentleman from Maine [Mr. DINGLEY] had much to say about "honor and good faith," "discharging debts in inferior money," "distrust in our good faith," "honesty," "straightforward dealing." "bad faith," etc., repeating these expressions several times, the apparent effort being to create the impression that opponents of the gold standard do not desire to act in good faith with

the creditors of the Government.

Let us look into the matter and see what the strictest good faith demands. There are two parties to these transactions, the people demands. There are two parties to these transactions, the people on the one side and the creditor on the other. We are the trustees of the people, and it is our duty to keep good faith with them, and as their agents it is our duty to keep good faith with their creditor, and see that he is paid every dollar to which he is entitled under either the letter or the spirit of his contract.

To give him less or to give him money less valuable than is due him under the contract would not be honest; and on the other

hand we would be dishonest to the people to pay the creditor more than was due, or to give him more valuable money than was nominated in the contract.

Let us examine the tenor of the contract. The contract which the creditor presents designates that it is payable in coin.

THE MATTHEWS RESOLUTION FOR SILVER

A few days before the passage of the silver-coinage act of 1878, by a two-thirds vote in both Houses, Congress adopted the following resolution:

Resolved by the Senate (the House of Representatives concurring therein). That all the bonds of the United States issued, or authorized to be issued, under the maid acts of Congress hereinbefore recited, are payable, princips

and interest, at the option of the Government of the United States, in silver dollars, of the coinage of the United States, containing 412; grains each of standard silver; and that to restore to its coinage such silver coins as a legal tender in payment of said bonds, principal and interest, is not in violation of the public faith, nor in derogation of the rights of the public creditor.

Mr. Carlisle voted for the resolution and was one of its strong Mr. Carnisie voted for the resolution and was one of its strong advocates. This certainly shows that every man who has come into possession of a Government obligation since 1878 knew that it was redeemable in silver dollars. The bankers and moneyed men, however, contend that the Sherman law, enacted July 14, 1890, gave them a right to demand gold. Mr. DINGLEY recites the expression they rely upon, which is in these words:

The established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

I insist that if this stood alone, unqualified, it would not give them the right to demand gold.

SHERMAN LAW AS IT REALLY IS.

The expression, as it really stands in the law, is as follows:

That upon demand of the holder of any of the Treasury notes herein provided for the Secretary of the Treasury shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

It will be seen that the law expressly authorizes the Secretary of the Treasury to-

redeem such notes in gold or silver coin at his discretion-

but these controlling words are seldom, if ever, quoted or alluded to by gold-standard advocates.

REPEAL LAW OF NOVEMBER 1, 1808.

I wish also to call to the attention of those who assert that Congress has committed itself against the coinage of silver that the act of November 1, 1893, which repealed the purchasing clause of the Sherman Act, contained these words:

And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such asteguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of dobts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of overy dollar coined or issued by the United States in the markets and in the payment of debts.

MR. DINGLEY'S STATEMENTS SHOW THAT BIMETALLISM CAN BE MAINTAINED.

Now, Mr. Speaker, I will give another reason why bimetallism could be maintained, if we should now enact laws for the coinage of silver, which I think will appeal to my friend, Mr. DINGLEY. The Report of the Director of the Mint for 1892, pages 56 and 57,

According to the revised figures, the world's production of gold and silver for the last three years has been as follows:

World's production.	Gold.	Silver.
In 1890	\$113, 149, 600 120, 518, 800 180, 816, 600	\$172, 234, 500 186, 733, 000 196, 605, 200

It will therefore be seen that during the three years prior to the meeting of the Republican national convention in 1892 the pro-duction of gold was less than two-thirds the production of silver. With that condition staring them in the face, the Republican party, of which our chairman, the very distinguished premier of this House [Mr. DINGLEY], was a prominent member, declared with all possible emphasis in favor of silver coinage.

The silver plank in the Republican platform of 1892 was in these

SILVER AND CURRENCY.

The American people, from condition and interest, favor bimetallism, and the Republican party demands the use of both gold and silver as standard

These were their precise words, and the following language did not lessen the force of this pledge for bimetallism-

with such restrictions and under such provisions, to be determined by legis-lation, as will secure the maintenance of the parity of the values of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be at all times equal.

Their candidate, President Harrison, in his letter of acceptance indorsed all that had been said by his party and used this emphatic and unmistakable language:

COINAGE AND CURRENCY.

The resolution of the convention in favor of bimetallism declares, I think, the true and necessary conditions of a movement that has, upon these lines, my cordial adherence and support. I am thoroughly convinced that the free

coinage of silver at such a ratio to gold as will maintain the equality in their commercial uses of the two coined dollars would conduce to the prosperity of all the great producing and commercial nations of the world.

And the New York Tribune, in speaking of this plank of the Minneapolis platform, said:

The declaration of the silver question is free from ambiguity.

The Republicans realized that these propositions were so self-evident, and they so fully appreciated that the people would not support a party which did not subscribe to them, that they incorporated in their campaign book a distinct announcement in favor of these principles.

I read from the Republican Campaign Book, page 157:

Some money lenders who are money monopolists want scarcer money that it may be dearer. The honest wage earners, the tillers of the soil, and other producers who would rob no man want more money, but good money. More money, they believe, is required by the constant growth of commerce and industry.

In the next paragraph, the same page, the book says:

No party has ever favored money monopolists, a contraction of the currency, or an unchanged volume of circulation which, with growing business, would involve a relative contraction.

In the great anxiety of the Republican party to secure votes they proceed in the next paragraph of their campaign book to use

nese expressions.

The subhead of this paragraph is as follows: "The Republican a bimetallic party." The book then says:

Nine-tenths of the people are bimetallists. They want both money metals used, because they believe both needed to sustain the world's commerce. The Republican party intelligently and honestly answers their wishes. President Harrison is a bimetallist, as his official papers and his speeches plainly show. The Republican platform declares for bimetallism, and in that respect faithfully represents the course of the party.

The Republican pledges in favor of silver in 1890 were quite as emphatic as they were in 1892. From page 19 of the Republican campaign book of 1890 I read as follows:

In its last national platform the Republican party declared this doctrine:
"The Republican party is in favor of the use of both gold and silver as
money, and condemns the policy of the Democratic Administration in its
efforts to demonstrate silver."

AN UNANSWERABLE ARGUMENT FOR SILVER

Now, bear in mind that these declarations and pledges of Mr. DINGLEY's party to the people, in which he heartily joined, for the equal coinage of both gold and silver, were made at a time when the gold production of the world was less than two-thirds the production of silver. Now, the distinguished gentleman tells us that the production of gold this year will be \$250,000,000, while we know the production of silver will be but little, if any, more than \$200,000,000.

Mr. DINGLEY's language were

Mr. DINGLEY's language was-

Since 1800 the increase of [gold] production has been greater than ever before, rising from \$118,000,000 in 1870 to \$205,000,000 in 1895, with the probability that the production this year will reach \$250,000,000.

Mr. DINGLEY also added that this production-

Is almost twice the production of any year of the Californian period.

Now, if Mr. Dingley felt justified in promising the people bimetallism by the free coinage of both gold and silver when the production of silver was nearly double that of gold, how can he state that free coinage of both metals would not give us bimetalism when the relative production of gold and silver is reversed and the production of gold is now one-quarter more than the production of silver. I think this is a very complete compliance with our distinguished premier's demand—

That we present to the House and country the grounds on which we assume that silver coinage will result in giving us bimetallism.

PLEDGES OF THE DEMOCRATIC PARTY FOR SILVER.

Having shown that the pledges of the Republican party bind them in honor to support bimetallism, I will now show that the pledges of the Democracy bind them with double—yes, even treble—force to vote for and sustain bimetallic legislation.

The Democratic Campaign Book for 1890, page 374, says:

DEMOCRATIC PARTY ON SILVER

The records of the Fifty-first Congress show that the Democratic Senators and Representatives are practically a unit in support of the free and unlimited coinage of the white metal.

The Democratic platform of 1884, reaffirmed in 1888, spoke as follows on the

Coinage:

"We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."

The Republican platform of 1885 spoke thus:

"The Republican party is in favor of the use of both gold and silver as

money."

The meaning of these deciarations can be best learned from the history of allver-coinage measures in Congress.

In all its years of power the Democratic party never enacted a law to demonstize silver, but constantly and unceasingly maintained its free and unlimited coinage from 1792 to 1873, when the Republicans, being in a large majority in both Houses of Congress, and having all departments of the Gov-

ernment, enacted a law in February prohibiting the coinage of the standard silver dollar.

In November, 1877, a Democratic House of Representatives enacted a free silver coinage bill, which went to its grave in a Kepublican Senate.

The book then proceeds to give the vote upon silver, showing that the Democratic vote in the House in 1877 was 97 votes for the free coinage of silver and only 10 against it. Various other votes upon the silver question are then given, including the vote of June 7, 1890, at which time the House gave a direct vote upon the question of free coinage. The Democrats in the House were almost solid for free coinage, only 13 Democrats voting against the bill, and all of them were promptly retired to private life.

Among those who voted for free coinage I recall Breckinridge of Arkansas, Breckinridge of Kentucky, Bynum, Caruth, Catchings, Clarke of Alabama, Crain, Crisp, Edmunds, McCreary of Kentucky, Montgomery, Oates, O'Ferrall, Outhwaite, Springer, Stone of Kentucky, Tucker, Turner of Georgia, Washington, and the distinguished gentleman from West Virginia, Mr. Wilson.

With this overpowering expression of the Democracy in favor of free coinage fresh in the minds of the people, the election of 1890

free coinage fresh in the minds of the people, the election of 1890

tree comage rresn in the minds of the people, the election of 1890 took place and resulted in the great Democratic victory which gave this House 150 Democratic majority.

This vote in favor of free coinage was made a very prominent feature in the campaign. It was made very noticeable in the campaign books, and it was regarded as a declaration and pledge on the part of the Democracy for free coinage.

Two years later, in 1892, the Democratic party again went before the people on the pecitive declaration in favor of the free

fore the people on the positive declaration in favor of the free coinage of silver.

The platform promised the people-

Coinage of both gold and silver without discriminating against either metal.

The only conditions imposed were that-

The dollar unit of coinage of both metals must be of equal, intrinsic, and exchangeable value.

This plank of our platform closes with these words:

We insist upon this policy as especially necessary for the protection of the farming and laboring classes, the first and most defenseless victims of unstable money and a fluctuating currency.

THIRTY-ONE STATE PLATFORMS FOR SILVER.

Not only did the Democratic platform promise the people free silver, but in addition to that, thirty-one States, in their conventions, adopted free-silver platforms, and substantially all of the Congressional districts which expressed themselves on the subject were emphatic for free coinage. The New York Tribune of June 21, 1892, refers to this subject in these words:

Behind Cleveland is a party which in the last three years has declared for free silver in thirty-one State platforms, and in two Congresses has voted for free-silver bills with substantial unanimity.

One of those thirty-one States was the State of Alabama, which in the State convention expressed itself unequivocally for silver. I read from the fourth plank of the Alabama State platform of

That the Democratic party of Alabama expresses its condemnation of the Republican party for their administration of the finances of the country, under which the demand of the people for a sufficient circulating medium has been ignored, and silver has been driven from its time-honored and rightful place and uses under the Constitution of the United States, where it was maintained so long as our party had control of the national legislation.

Every public man knows that in 1873, when the Republican party was in control of every branch of the Government, that party demonetized silver. Every public man knows that after the Democratic House had, in 1877, passed a free silver coinage bill at 16 to 1, the bill was defeated in a Republican Senate.

The bill I refer to passed the House on November 5, 1877, just twenty days after the meeting of that Congress and one week

twenty days after the meeting of that Congress and one we

after the committees were appointed.

It was passed by the Democratic party, such grand Democrats as Blount, Carlisle, Forney, Sunset Cox, Garth, Herbert, Kelly, Hewitt, R. Q. Mills, and Reagan voting for and supporting the bill.

ANOTHER GOLD STANDARD ERROR.

Mr. DINGLEY then speaks of-

A change in the conditions of mining causing the remarkable decline of allver.

He then puts in a subhead, "The overshadowing cause of silver decline," and says:

It is this abnormal increase in the production of silver.

VALUE OF GOLD INCREASED-SILVER HAS NOT DECLINED.

The gentleman is wrong when he tells us that silver has fallen in value. I have prepared tables showing the production of silver and its value in 1873, 1892, 1893, and 1894, and the same with regard to the staple products of America, and these tables show that the increase in the production of silver has been less than that of any of the staples, and the decrease in price of silver has been also less than that of any of these staples, showing conclusively that silver has not fallen in value, but that gold has increased in value. creased in value.

Table showing increase in production of silver and various other staple American products from 1875 to 1893, their value in 1875 and 1892, also their value in 1892 compared with that of 1875.

Articles.	Production in 1873.	Production. in 1898.	In- crease of pro- duc- tion, 1873 to 1892.	Value in 1873.	Value in 1802.	Value in 1892 com- pared with 1873.
Silver ounces. Cotton bales. Pig iron tons. Steel rails. do. Cosl do. Wheat busheis. Corn do. Wool pounds.	2, 974, 351 2, 560, 963 115, 193 50, 512, 000 281, 254, 700 982, 274, 000	\$8,000,000 9,035,370 9,157,000 1,551,844 150,505,745 6011,780,000 \$2,112,892,000 \$306,000,000	Times. 211 8 131 3 21 21 21 8	\$1.298 100.70 42.75 120.50 4.84 1.12 .50 .70	\$0.87,188 85.85 15.75 30.00 2.50 .03 .30	Per ct. 67 35 37 25 55 66 43

*1891.

In order to refute the statement that the fall in values has been caused by excess in production, I have prepared another table showing the production of these articles in the United States, so far as I could get the data, for the years 1892, 1893, and 1894. The table also shows the value in 1892 and the value in 1894; also, the percentage of value in 1894 to what it was in 1892.

Table showing production of silver and various other staple American products in 1892, 1893, and 1894 and their values in 1892 and 1894; also their value in 1894 as compared with that of 1892.

	Production in 1898.	Production in 1893.	Production in 1894.	Value in 1892.	Value in 1894.	Value in 1894 com- pared with 1892.
Silveros Cotton bales Pig iron tons Steel rails do Coaldo Wheat bush Corndo Woollbs	9, 035, 379 9, 157, 000 1, 551, 844 150, 505, 748 611, 780, 000	6, 717, 149 7, 124, 509 1, 136, 458 102, 770, 108 395, 181, 726 1, 619, 496, 131	7,527,211 6,657,388 1,014,084 148,000,000 460,267,416 1,212,770,058	35.85 15.75 30.00 2.50	\$0.60 30.00 11.50 22.00 8.20 .53 .41 .14	Per ct. 68 83 73 73 91 85 106 46

1891.

One reason why money has been hoarded and prices have declined since the repeal of the purchasing clause of the Sherman Act is that every step taken by this Government which helps to fasten upon this country the gold standard has a tendency to reduce the amount of money of ultimate redemption, which must lower prices; and when this tendency exists, all those who have money see that its purchasing power will increase, and therefore their interest is best served by holding and hoarding, instead of investing.

ANOTHER GOLD-STANDARD ERROR.

The gentleman from Maine then states:

It is significant in this connection to recall that the United States has used five times as much silver as money in the seventeen years since 1878 as it used in the first seventy years of the existence of this Government under the Constitution.

This is another of the many errors into which the gold-standard men have fallen and which they reiterate as a standard antisilver argument. If they had taken the trouble to look into the history

argument. If they had taken the trouble to look into the history of our country, they would have found that during the first seventy years of our Government we did not depend upon American silver. In fact, during that period our entire silver coinage was \$122,832,462, and the entire production of silver of the United States was only \$1,500,000, and the silver money of the United States was almost entirely foreign silver.

In 1847 the Secretary of the Treasury estimated the amount of specie in the country at \$120,000,000, and as this was before the discovery of gold in California, the most of this was silver and was mostly foreign silver, and this \$120,000,000 of course only included the specie which was visible and could not include that in the hands of the people, of which no account could be taken. The excess of foreign coins over those from our mints was so great that the hands of the people, of which no account could be taken. The excess of foreign coins over those from our mints was so great that contracts for payment of money very frequently stipulated that the payment was to be in so many Spanish milled dollars, and the statutes of some of our States also mention Spanish milled dollars as the money in which contracts were to be liquidated. Now, all this Spanish money was used, and it shows that the gentleman from Maine [Mr. DINGLEY] was fearfully in error when he stated that the United States has used five times as much silver in the seventeen years since 1878 as it used in the first seventy years of the existence of our Government. If he had used the

word "coined" instead of "used" he would have been practically correct.

ANOTHER ERRONEOUS GOLD-STANDARD ARGUMENT.

The distinguished gentleman [Mr. DINGLEY] also says:

The suggestion that France compels the holders of the French paper currency to sometimes accept silver in part payment, at least, of notes presented for redemption, and yet preserves the parity of these notes with gold, overlooks the fact that it is not the Government of France that issues circulating notes, but a corporation distinct from the Government, known as the Bank of France, which maintains a coin reserve of nearly \$85,000,000 is gold) against a note circulation of only \$675,000,000.

In reply to this I will say that the liabilities of our Treasury Department, which are payable in coin, are much less than this, and if we had adopted the same policy which is acted upon in France the gold in our Treasury would have far exceeded that which is now held by France.

At the end of Mr. Cleveland's first term the net gold	
in the Treasury was	\$197, 874, 422
Received from sale of bonds	182,000,000
Received from banks	
And the amount the Treasury is now receiving from	
the late bond sale	111, 378, 836

And I very much fear that under our policy in a few months there will be another cry that the Treasury reserve is being exhausted.

FRANCE MAINTAINS HER GOLD RESERVE BY A METHOD CONTRARY TO THAT ADOPTED BY THE UNITED STATES.

The reason why France is able to maintain this reserve of \$385,000,000 of gold is that the holders of obligations know that when they present them they may get silver and not gold; and the reason we have lost nearly \$400,000,000 of gold is that holders of our obligations, which are payable in either gold or silver, know they will be unjustly favored and given gold for obligations which the law authorizes the Secretary to pay in silver. And yet in the the law authorizes the Secretary to pay in silver. And yet in the face of these facts, which are known to the whole world, our distinguished chairman, the gentleman from Maine, tells us that

Maintains her full legal-tender silver at a parity with gold precisely as the Government of the United States maintains our silver.

Now, I assert, and everybody in the House knows, that we maintain our parity by a method exactly contrary to the one adopted by the French nation. France maintains her parity by honoring by the French nation. France maintains her parity by honoring silver and treating silver precisely as that nation treats gold. We, on the contrary, exercise all the powers of our Government in discriminating in favor of gold and against silver, and then we maintain the parity by selling bonds for gold, thus mortgaging the earningsof honest bread earners for years to come. Including the present loan, we will, for this purpose alone, during only two years, have incurred an obligation for interest amounting to \$244,000,000, and both principal and interest amounting to \$506,000,000. 000,000.

Mr. BOATNER. Would it interrupt the gentleman if I were

Mr. BOATNER. Would be interrupt the gentleman it I were to ask him a question at this point?

Mr. WHEELER. I will answer it with pleasure.

Mr. BOATNER. Can you inform us whether France gave any pleage to redeem paper circulation, such as the greenbacks or the

silver certificates?

Mr. WHEELER. It has six hundred and seventy-five millions of paper circulation, and they pay it in coin, silver or gold, as

Mr. TUCKER. But is not that the circulation of the Bank of France

Mr. WHEELER. I will explain that.

Mr. BOATNER. The question I wanted to ask of my friend, if he had any knowledge on the subject, is whether the French Government has not retired all of its pledged obligations, so that it has no obligation of this class that may be presented for re-

Mr. WHEELER. Well, but even if that be so, I submit to my friend that this very paper circulation which is issued by the Bank of France has the same relation to that country as our notes Bank of France has the same relation to that country as our notes and obligations have to ours. The gentleman's argument is that the \$675,000,000 of French paper currency, to which the gentleman from Maine referred, is not issued by the French treasury itself, but by the Bank of France, and therefore the gentleman contends that the action of the Bank of France in paying out gold and silver at its discretion is no reason to justify the United States in adopting the same plan. Now, the gentleman himself has insisted, and all the gentlemen who advocate the gold standard insist, that the United States Treasury has, under the laws which now exist, become a banking institution, as they say our Treasury is just like the Bank of France, and that being the case, it follows that the system adopted by the Bank of France is applicable in all

the system adopted by the Bank of France is applicable in all respects to our Treasury.

If we had retained in the Treasury the gold which was in it when Mr. Cleveland turned over the Government to Mr. Harrison and added to it the \$182,000,000 which we have obtained by selling

and added to it the \$182,000,000 which we have obtained by selling bonds since, we would have more gold in our Treasury than France has in hers.

Mr. BOATNER. Will it interrupt the gentleman to ask him a question right there?

Mr. WHEELER. No, sir.

Mr. BOATNER. If France, by the payment of silver partially, sustains it at a parity, why can not Mexico, Japan, China, and other silver-using countries, which pay it altogether, maintain it at a parity in those countries?

it at a parity in those countries?

Mr. WHEELER. Because those countries are what are called silver countries, and they do not pay out any gold at all. France is a bimetallic country, and that is what we want to be. We do not want to adopt the plan of Japan, China, or Mexico. I say that we ought to adopt the plan of France, a plan which meets the full of the contlemant from Meine a plan which I am confi approval of the gentleman from Maine, a plan which I am confident would establish us on a bimetallic system.

Mr. BOATNER. Yes; but the gentleman will admit that his argument is that the United States discredits silver by refusing

to pay it out.
Mr. WHEELER. Yes, sir.
Mr. BOATNER. And there
Mr. WHEELER. Yes, sir.

Mr. WHEELER. Yes, sir.
Mr. BOATNER. And thereby discriminates against it?
Mr. WHEELER. Yes, sir.
Mr. BOATNER. And France, by paying it out only partially, you say does not discredit it; then why is it that the payment altogether in that money which is to give it an appreciation over gold—how is it that silver in all silver-using countries is exactly at the same disparity that it is everywhere else?
Mr. WHEELER. The gentleman is mistaken.
Mr. BOATNER.
Mr. WHEELER. I account for it by saying that it is not true.
My friend from Louisiana is mistaken in his premise. [Laughter Silver in all those countries has almost the same purchasing power

My friend from Louisiana is mistaken in his premise. [Laughter.] Silver in all those countries has almost the same purchasing power that gold has in gold-standard countries.

The Secretary of Agriculture tells us that the average price of wheat in the United States in 1893 was 54 cents, which of course meant gold. The same year the average price in India in silver, taking the average of twelve different localities, was 67 cents. We thus see that when the London merchant wishes to buy wheat he can buy silver with his gold and buy almost 2 bushels of wheat in India for the same money for which he can buy 1 bushel in the United States.

Mr. GROSVENOR. Will the gentleman explain to the House the difference between the treatment of the United States and the treatment of France of silver as money?

Mr. WHEELER. I am sorry that the gentleman did not bear the same in the same in the same money?

me. I was explaining it.

Mr. GROSVENOR. What is the difference?

Mr. WHEELER. The difference is that France pays out gold and silver at its option or discretion. We pay out gold in redemption of obligations which the law says are payable either in silver

or gold.

Mr. GROSVENOR. How long is it since France coined silver?
Mr. WHEELER. The Latin Union was virtually dissolved in 1876, and that is the date generally given; but France has coined a great deal of silver since that time. The report of the Director of the Mint shows that last year France coined half as much silver as gold, and the French coinage prior to 1876 was very great.

Mr. GROSVENOR. We have coined more than France in proportion to our gold.

portion to our gold. Mr. WHEELER. Mr. WHEELER. I can not tell exactly what the amount of our gold is, but I think it is largely overestimated, because we see that one or two great houses like the Rothschilds and the Morgans have "cornered" the gold of the world; and we also see that the gold to purchase the \$100,000,000 of bonds came almost entirely from New York City.

Mr. GROSVENOR. Ah, now you are getting onto another representations.

proposition entirely.

MR. DINGLEY'S ERROR AS TO THE EFFECT OF BIMETALLISM.

Mr. WHEELER. The distinguished chairman of the Committee on Ways and Means then asserts:

It is said that somehow or other, by the adoption of free coinage of silver at the ratio of 16 to 1, we will furnish a fund for redemption.

Ho then asks how the Government is to get such silver dollars,

Even with such coinage, the only way the Government can get such silver dollars for its greenback-redemption fund is by issuing bonds.

It will be seen here that Mr. DINGLEY assumes that we desire silver coinage only for the purpose of using the dollars so coined to redeem the greenbacks.

No bimetallist has ever made any such suggestion. If we enact the Senate substitute, or if the Secretary of the Treasury would

commence now to pay out silver in part payment for greenbacks presented, which he has a right to do, it would immediately stop the raid which is now being made on the Treasury.

The only reason why the greenbacks are now presented is that we have discriminated in favor of gold and made it more valuable than silver, and the holders of greenbacks know that by demanding gold they can compel the Government to repeatedly issue bonds.

Mr. Dingley then tells us that the report of the Secretary of the Treasury of February 4 shows that of the 353,000,000 silver dollars in the Treasury, 346,000,000 are represented by outstanding silver certificates, leaving but 7,000,000 available to pay coin obligations.

Mr. DINGLEY then says:

Only 7,000,000 of silver dollars outside of the fund under the act of 1890 are in the Treasury to-day, belonging to it in such a way as to be made available for the redemption of the greenbacks. Therefore what is proposed is to disturb confidence in this country still more—to create the impression that we propose to repudiate something whether we do or not—all because of simply \$7,000.00; and every one of these silver dollars can be used for other purposes, instead of greenbacks.

Mr. DINGLEY speaks of increasing distrust, and says:

The end of using these \$7,000,000 for redemption purposes does not justify the means.

Mr. DINGLEY here tells Congress that the purpose sought to be obtained by the bill before the House is simply to require the Secretary of the Treasury to pay out these 7,000,000 silver dollars for the redemption of coin obligations.

THE REAL PURPOSE OF BIMETALLISM.

It is surprising that a gentleman of Mr. Dingley's learning and intelligence should make such an assertion. The advocates of bimetallism know it can only be accomplished by treating silver the same as gold, coining it the same as gold and paying it out for the redemption of coin obligations the same as gold; in other words, complying with the pledge which is contained in the platform upon which this Administration was placed in power.

The advocates of the bill as it passed the Senate believe that if the measure becomes a law it will finally have the effect of doubling the money of ultimate redemption, and that this would cause a rise in prices of all products of American toil and energize every industry in our land.

every industry in our land.

VALUES AFFECTED BY AMOUNT OF MONEY.

The history of the world shows that an increase in the amount of money of ultimate redemption in any country has the effect of increasing the value of all products and property; and that a reduc-tion in the amount of money of ultimate redemption has the effect to reduce the value of all products and property, is asserted in all works on political economy which have ever been published; and I believe that no one has ever denied this unquestioned truth.

It rests upon the principle of supply and demand. When the supply of money is small, the demand for it is such that it requires more property to procure it; and when the supply of money is large, the reverse of this proposition obtains.

Mr. Cleveland fully realizes the force of this unerring principle.

In his last message he said:

Everyone who receives a fixed salary would find the dollar in his hand ruthlessly scaled down to the point of bitter disappointment, if not to pinching privation.

This means that silver coinage would result in reducing the purchasing power of a fixed salary; which, of course, means that it would cause products and all property to rise in value. Mr. Cleveland contends, however, that the reduced price which the gold-standard farmer receives for his products finds a compensation in the reduced price which pays for the articles he purchases. The experience of the farmer has taught him the error of this contention. He makes 10 halos of cotton and 400 husbels of wheat

contention. He makes 10 bales of cotton and 400 bushels of wheat. Under silver coinage prior to 1873 he received \$1,200 for his cotton and \$700 for his wheat. He supports his family, educates one or more children at a first-class institute or college, sends the others to a neighboring school, pays his taxes, gives his family an annual excursion to a neighboring city, subscribes to his church, and lays up \$300.
Under the gold standard none of the expenses that I have men-

Under the gold standard none of the expenses that I have mentioned are materially reduced.

He sells his 10 bales of cotton for \$250 and his 400 bushels of wheat for \$160. Instead of laying up \$300, he falls behind about \$1,000, and in two or three years his home is sold by the sheriff.

Some farmers, seeing the inevitable fall in prices, took their children from school, and denied themselves and family all the comforts they had before enjoyed. But even with the utmost pinching and economy very few have been able to meet their annual expenditure.

expenditure.

When Mr. Rothschild, a delegate to the Brussels conference, was reminded of the effect of the single standard on the price of

products he said:

I hold that wheat at 30s. a quarter instead of 45s. is rather a blessing than otherwise.

Secretary Morton in a recent interview, in referring to the same subject, said, that he wanted the American dollar-

to have the largest possible purchasing power.

For the last two years Mr. Morton has been surrounded by people who draw fixed salaries, and no doubt their comforts would be increased just in proportion as the purchasing power of their salaries is enhanced. This would evidently cause the wheat, cotton, corn, and other products of the farm to be sold at the least price possible, which means the utter destruction and ruin of the most valuable interests in our land.

SILVER COPPAGE BENEFITS FARMERS.

Only yesterday Mr. Balfour, first lord of the British treasury, said (as it appears by a cable dispatch) that agriculture suffered doubly owing to the present condition of the currency, and expressed his personal belief that the reduced prices were largely due to the artificial appreciation of gold which followed the demonetization of silver.

I quoted similar expressions in my last speech from the editor of the London Economist. He said:

The effect of a depreciation of silver as against gold is to give a bounty on exports from india and the other silver-using countries.

Mr. Nicholson, an eminent Englishman, said:

India wheat is the very wheat that is complained of by Secretary Manning as having lowered the price of European and American wheat.

The effect on wheat applies in the same way to cotton and enables India to disastrously compete with us in all markets in the sale of cotton goods.

ALL GREAT STATESMEN WHER SIMSTALLISTS.

The greatest statesmen that this country has produced, from Alexander Hamilton to that noble Roman, Allen G. Thurman, have insisted that the coinage of both gold and silver—bimetallism in its fullest sense—is essential to the best interests of the people of this country.

JEFFERSON, HAMILTON, WEBSTER, AND HUNTER WERE BIMETALLISTS

In 1791 Alexander Hamilton said:

To annul the use of either of the metals as money is to abridge the quantity of circulating medium, and liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation.

In February, 1792, Thomas Jefferson wrote to Hamilton:

I concur with you that the unit must stand on both metals.

Daniel Webster, in his great speech of December 1, 1836, said (I read from the Boston edition of his speeches, Volume IV, page

I am certainly of opinion, then, that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country; and that neither Congress nor any State has authority to establish any other standard or to displace this.

Forty-three years ago Senator Hunter said:

The mischief would be great indeed if all the world were to adopt but one of the precions metals as a standard of value. To adopt gold alone would diminish the specie currency more than one-half, and the reduction the other way, should silver be taken as the only standard, would be large enough to prove highly disastrous to the human race.—R. M. T. Hunter, 1852.

BLAINE, GARFIELD, AND CARLISLE WERE BIMETALLISTS

Hon, James G. Blaine made a very able speech upon the free-coinage bill February 7, 1878. I read from the Congressional Record, page 820. This great statesman said:

I believe gold and silver coin to be the money of the Constitution; indeed, the money of the American people anterior to the Constitution which that great organic law recognized as quite independent of its own existence. No power was conferred on Congress to declare that either metal should not be money. Congress has therefore, in my judgment, no power to demonstize silver any more than to demonstize gold; no power to demonstize either any more than to demonstize both.

Mr. Blaine also said:

Few persons can be found, I apprehend, who will maintain that Congress possesses the power to demonstize both gold and allver, or that Congress should be justified in prohibiting the coinage of both; and yet, in logic and legal construction, it would be difficult to show where and why the power of Congress over sliver is greater than over gold; greater over either than over the two. If, therefore, sliver has been demonstized, I am in favor of remonetizing it. If its coinage has been prohibited, I am in favor of ordering it to be resumed. If it has been restricted, I am in favor of having it enlarged.

I now read from his speech, page 821:

The responsibility of roestablishing silver in its ancient and honorable place as money in Europe and America devolves really on the Congress of the United States. If we act here with prudence, wisdom, and firmness, we shall not only successfully remonetize allver and bring it into general use as money in our country, but the influence of our example will be potential among all European nations, with the possible exception of England. In pay it in allver we necessarily correct hose nations by the strongest of all forces—self-interest—to aid us in upholding the value of silver as money.

I read further on the same page:

I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster in the end throughout the world.

The destruction of silver as money and establishing gold as the sole unit of value must have a ruinous effect on all forms of property except these investments which yield a fixed return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property.

Further on Mr. Blaine also says:

I do not think that this country, holding so vast a proportion of the world's supply of silver in its mountains and its mines, can afford to reduce the metal to the "situation of more merchandise." A vast source of wealth to this entire country is destroyed the moment silver is permanently disused as money. It is for us to check that tendency and bring the Continent of Europe back to the full recognition of the value of the metal as a medium of exchange

On February 1, 1878, President Garfield spoke in the House of Representatives upon this subject.

read from volume 28 of the CONGRESSIONAL RECORD.

Mr. Garfield said:

Every man who is opposed to the use of silver coin as part of the legal currency of the country I disagree with. Every man who is opposed to the actual legal use of both metals I disagree with.

Mr. Garfield also said:

I would endow the two dollars with equality and make the coinage free.

Secretary Carlisle also advocated unlimited coinage of silver

Mr. BOATNER. In which he said something about a "gigantic

crime"? [Laughter.] Mr. WHEELER. Yes. Mr. Carliale characterized the attempted legislation against silver as

the most gigantic crime of this or any other age.

I read from Mr. Carlisle's speech, page 42 of the Appendix to the RECORD. Mr. Carlisle said that—

he was in favor of unlimited coinage of both metals upon terms of exact equality. No discrimination should be made in favor of one metal and against the other; nor should any discrimination be made in favor of the owners of gold and silver builtion and against the great body of people who own other coins or property.

He continued, on page 43:

I know that the world's stock of the precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate, indeed, if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry.

pace with the annual increase of population, commerce, and industry.

In 1878 the United States produced \$51,200,000 of gold and \$45,200,000 of silver, the total being \$96,400,000. The property in the United States was about \$38,000,000,000. Therefore the property of the United States was about three hundred and ninety-five times the production of gold and silver. The property of the United States to-day is estimated at \$75,000,000,000.

Last year we produced \$39,500,000 of gold and \$64,000,000 of silver, the total being \$103,500,000. We therefore see that the property in the country now is seven hundred and twenty-five times greater than the production of gold and silver, and we also see that the proportion of precious metals to property is now about one-half what it was when Mr. Carlisle made his speech, and consequently that the reasons for coining silver are now twice as strong as they were when Mr. Carlisle made his able argument upon this subject.

Mr. Carlisle then says:

According to my views of the subject, the conspiracy which seems to have been formed here and in Europe to destroy, by legislation and otherwise, from three-sevenths to one-half of the metallic money of the world is the most gigantic crime of this or any other age.

It will be here seen as just stated by Mr. Boatner, that to strike down silver, as is now proposed, was denounced by Mr. Carlisle as a gigantic crime—the most gigantic crime of this or any other

age.

Mr. Carlisle then proceeded in the following emphatic language:

The consummation of such ascheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of half of the metallic money in the world.

This language by the present distinguished Secretary of the Treasury is stronger and more emphatic than any expression I can use; but he does not stop with these words, he goes on to express his emphatic advocacy of silver coinage, not by law alone, but he demands that it be made permanent by a constitutional amendment. I read from Mr. Carlisle's speech on page 44 of the RECORD.

I am in favor of every practicable and constitutional measure that will have a tendency to defeat or retard the perpetration of this great crime, and I am also in favor of every practicable and constitutional measure that will all as in devising a just and permanent ratio of value between the two metals, so that they might circulate side by side, and not alternately drive each other into exile from one country to another. Our ratio, as recognized by the present bill, is 15.98 to 1, while the ratio established by the states composing the Latin Union—France, Belgium, Switzerland, Italy, and I believe Greece alian is 15½ to 1. We therefore undervalue silver, as compared with the valuation put upon it by those countries.

Mr. Hewitt of New York moved to lay the bill and amendments on the table. I read from page 1283. But Hewitt's motion was defeated by a vote of 205 to 71. Mr. Carlisle and his colleague, Mr. Herbert, in the present Cabinet, both voted against Mr. Hewitt's motion and for the largest use of silver.

The Senate amendments limited silver coinage to not more than 14 100 200 a month, and Carlisle and Harbert both voted against

\$4,000,000 a month, and Carlisle and Herbert both voted against these amendments, thus declaring themselves in favor of unlimited

silver coinage.

Mr. Dingley reiterates the assertion which has been so frequently made by gold-standard men that silver fell slightly in value during the existence of our silver coinage of 1878, and insists that this proves that a silver-coinage law could not now diminish the difference in value between gold and silver.

UNFAIR DISCRIMINATION AGAINST SILVER CAUSED ITS DECLINE WHILE SILVER-COINAGE LAW WAS IN FORCE.

My reply to this is, that President Arthur and his Cabinet exercised all their power to defeat the silver-coinage law of 1878 while cised all their power to defeat the silver-coinage law of 1878 while it was pending in Congress. Notwithstanding their efforts, the law was enacted by a vote of almost three to one. President Arthur then vetoed the bill, and both the Senate and House passed it over his veto by much more than a two-thirds vote. President Arthur and his Cabinet then commenced a war upon silver, discriminating against it and in favor of gold in every way possible. From the day of the passage of the silver-coinage acts the Republican Secretary of the Treasury paid all coin obligations in gold, thus declining to use silver for one of the principal purposes for which Congress directed it to be coined. At that time the Secretary did not have the parity clause in the act of 1890 poses for which Congress directed it to be coined. At that time the Secretary did not have the parity clause in the act of 1890 to justify this action, because not only did the act of 1878 contain no such expression, but within a few days of the passage of the silver-coinage act Congress passed a resolution by a very large majority declaring that the Government obligations referred to

Payable, principal and interest, at the option of the Government of the United States, in silver dollars containing 4124 grains each of standard silver.

And they also declared that the coinage of silver for that pur-

Is not a violation of the public faith, nor in derogation of the rights of the public creditor.

I repeat that in the face of this almost unanimous declaration of Congress the Republican Secretary of the Treasury under President Arthur refused to use silver dollars for the purpose indicated, and did everything in his power to discriminate against and

degrade them.

We have the testimony of our present Secretary of the Treasury,
Mr. Carlisle, that if the policy of the Government, as expressed
by the laws of Congress, had been followed by the Secretaries of the Treasury, the difficulties under which we are now suffering would have been obviated. Just a year ago, in referring to this subject, Mr. Carlisle said:

If the policy of reserving to the Government at the beginning of resumption the option of redeeming in gold or silver all its paper presented, I believe it would have worked beneficially, and there would have been no trouble growing out of it; but the Secretaries of the Treasury from the beginning of resumption have pursued the policy of redeeming in gold or silver at the option of the note holders.

We see here that we are sustained by Secretary Carlisle in our statement that the slight fall in the price of silver while the silver-coinage law was in force was due to the policy of discrimination against silver inaugurated by the Secretary of the Treasury, Hon. JOHN SHERMAN.

Mr. DINGLEY then proceeds with his argument against silver

coinage, and says:

Notwithstanding this country purchased, between 1890 and 1803, 54,000,000 ounces of silver per annum—substantially the American product and one-third of the product of the world—yet after a temporary boom silver began to fall more rapidly than before.

DEMOCRATS OPPOSED SHERMAN LAW BECAUSE IT STOPPED SILVER COINAGE.

The reason why Democrats voted solidly against the Sherman The reason why Democrats voted solidly against the Sherman law in 1890 was because that measure did not make silver coinage imperative, and we knew that to pile up unused silver in the Treasury until the world was gazing on one bulk greater than the yearly production of the whole world, and with a full knowledge that this great bulk of unused silver could be thrown upon the market at any moment, was a menace to the price of silver which could have no other effect than to cause the depression which resulted. The temporary boom to which Mr. DINGLEY refers was due to section 3 of the Sherman Act, which was incorporated by the influence of Democrats, which made it imperative upon the Government to coin 2,000,000 ounces of silver a month until July 1,1691, and the accumulation of unused silver did not commence until after that date. until after that date.

WHY DEMOCRATS OPPOSED THE REPEAL OF PURCHASING CLAUSE IN 1888. The reason why Democrats who love the people opposed the repeal of the purchasing clause was because that was one of the least objectionable of the features of the Sherman bill, and those who were persuaded into casting their votes in this Hall for that

repeal in August, 1893, were deceived by assertions of the goldstandard men-

1. That the repeal would immediately restore confidence throughout the country.
2. Would immediately cause hearded money to flow into the

channels of trade.

3. Would immediately cause gold to flow into the Treasury.
4. Would immediately cause gold to flow from Europe to

5. Would immediately cause cotton to rise to 10 cents, and wheat to \$1 a bushel.

6. That the proposed repeal of the purchasing clause would be immediately followed by the enactment of a law providing for the unlimited coinage of silver.

FOREBODINGS REALIZED.

In each of the speeches that I made on this floor on August 11, 12, 25, and November 1, 1893, I asserted that the repeal of the purchasing clause of the Sherman Act would have an effect exactly the reverse from that which was promised us, and my prediction has been more than verified, for the moment of the passage of that are controlled to the control of the passage of of the passa that act cotton and wheat commenced to fall until they dropped down to little more than half their value at the time the repeal was enacted. Money commenced to fly from our shores to Europe, and to pour out of the Treasury almost like water through a sieve.

I also warned my fellow members that even if two-thirds of the members of the House favored a free coinage bill, the northeastern Democrats could, together with the Republicans, filibuster and

As I feared the falling prices caused money to be hoarded and shun the channels of trade, and as I predicted, when we attempted to pass a bill to coin the seigniorage which lay useless in the Treasury, the northeastern Democrats and Republicans filibustered against that just and proper measure.

COTTON SHOULD BE SEVENTEEN CENTS

Gold standard advocates now tell us that cotton has risen in value

during the last year notwithstanding the gold standard.

In reply, I will say the general tendency has been downward since the date of unconditional repeal, November 1, 1893. At that time cotton was 8.31 in New York, and now it is only 7.40 cents in the face of a falling off of supply unprecedented in the history of the United States.

A New York cotton circular of February 1, which I hold in my hand says, that the deficiency at that date was 2,463,871 bales.

This indicates a deficiency in the crop of at least 3,800,000 bales,

a much greater deficiency than has ever before occurred.

In 1872 our deficiency was 1,377,966 bales, about ½ of the deficiency this year and cotton rose from 16 to 21 cents.

The crop of 1866 was 1,580,153 bales less than the crop of 1860 to

1861 and cotton rose from 13 cents to 44 cents.

I insist that were it not for the financial legislation under which we are suffering, the present deficiency in the crop would cause cotton to sell for at least 16 or 17 cents instead of less than one-half that figure.

OUR LOSS OF EXPORTS OF MANUFACTURED COTTON GOODS.

I had the honor very recently to give the expressions of eminent economists which illustrated how we suffered great disadvantage in our competition with silver countries and in the wheat and cotton markets of the world.

cotton markets of the world.

Seven years ago Hon. J. Shields Nicholson said, in addressing the royal commission on gold and silver:

Now, it seems to me probable if the price of silver rose to its old level scheet could not be profitably exported from India until prices rose in a corresponding degree. For India, being a silver country, the price of wheat the is independent of the relative value of gold and silver. An exporter to England at present will give the Indian price in silver, and he can buy his silver for less gold, and thus competition will lower the price. If the price of silver rose the exporter from India must get more gold. Thus a rise of silver would, on this view, raise the price of wheat to a corresponding degree.

This was in reply to the following direct question by the

This was in reply to the following direct question by the chairman of the commission:

Indian wheat is the very wheat that is complained of by Secretary Manning, Secretary of the United States Treasury, as having lowered the price of European and American wheat, and he attributes it all to the divergence of gold from silver. You do not think tying gold and silver again would raise the price of English and American wheat by 25 per cent?

A work recently written by Mr. Bagehot, editor of the London

Economist, on page 54 said:

The necessary effect of a depreciation of silver as against gold is to give a bounty on exports from India and the other silver-using countries to England. An English merchant can now buy many more rupees than he formerely could with the same number of sovereigns, and therefore he can import from India, though prices at Calcutta are not at a level at which it would have paid him to operate if he had not had that novel facility in getting runes.

These gentlemen were Englishmen, but their remarks referred more to the effect of the gold standard upon the United States than England.

Our distinguished Speaker, Mr. REED, in discussing the subject

very recently, said:

* * * It is evidently important for debtor nations, on which list we stand first, to raise the price of silver and thereby reduce that bounty on exports which Asia now enjoys.

I have heretofore shown that India and other silver countries

are rapidly usurping our foreign market for American products. I showed from official reports that our exports of wheat had fallen from \$210,000,000 to be as low as \$43,000,000, and that India and other silver countries had sold their products in the market which we had lost.

The cotton farmers of the South suffer from India's taking from

us our foreign trade for manufactured cotton goods.

I have prepared a table showing the exports of manufactured cotton from British India and from the United States during the ast eight een years. It is as follows:

Table showing value of exports of manufactures of cotton from British India for the years ending March 31, 1877-1894, inclusive, and the same for the United States for the same years ending June 30.

Year ending—	Exports by sea from British India.	Total exports from the United States.
877	\$9, 417, 641 11, 169, 002 12, 564, 442, 13, 324, 098 15, 125, 199 19, 308, 574, 199 19, 308, 574, 199 25, 432, 640 25, 432, 640 25, 432, 640 272, 093, 170 34, 727, 925 42, 967, 415 42, 967, 415 44, 829, 330, 665 44, 829, 330, 665 46, 821, 790	\$10, 235, 843 11, 488, 600 10, 853, 956 9, 961, 418 13, 571, 387 13, 222, 951, 148 11, 885, 211 11, 895, 211 11, 895, 211 11, 895, 211 12, 644 9, 999, 277 13, 604, 257 13, 226, 277 11, 804, 257 11, 805, 277 11, 804, 257 11, 805, 277

We therefore see that eighteen years ago our exports of cotton goods exceeded those of India, and they also show that during the last five years their exports have been nearly four times ours. Our coinage of silver during the period from 1880 to 1890 helped the general prosperity of the United States, but the refusal of the Secretary of the Treasury to use silver as money of ultimate redemption tended very much to put us at a disadvantage in the cotton and wheat markets of the world, which is shown by the figures that I have given. that I have given.

GOOD FINANCIAL LAWS WOULD MAKE US PROSPEROUS.

I believe if we should treat silver the same as gold, as was contemplated by the Constitution, and repeal the unconstitutional 10 per cent tax upon the circulation of banks other than national banks, and thus restore to the States their constitutional rights, and again allow them to enact laws for the establishment of banking systems, we would soon be blessed with an era of great prosperity.

In 1860 most of the States had perfected banking systems as good as any that ever existed. An extreme advocate of the present national banking system, Mr. Horace White, has recently published a book on money and banking. He speaks of the State banks of Louisiana, South Carolina, and New York as being per-

From 1854 to 1861, during which occurred the panic of 1857, the entire losses by discount on bills issued by New York banks was only \$12,851, all of which resulted from the failure of the following-named 18 banks, which were the only bank failures in that State during that period:

Tabular statement of data as to failed banks of New York State from 1865 to

Banks.	Failed.	Circulation outstanding.	Rate.	Loss.
Bank of Carthage Empire City Bank, New York Exchange Bank, Buffalo S. Bank, Sacketts Harbor Island City Bank Hamilton Exchange Bank Ontario County Bank Pratt Bank of Buffalo Chemung County Bank Pine Plains Bank Dairymen's Bank Agricultural Bank, Herkimer Lake Mahopac Bank Cataract Bank Bank of Albany Bank of Albany Bank of the Capitol J. W. Rumsey & Co's Bank National Bank Medina Bank Brockport Exchange Bank	1856 1857 1857 1857 1857 1857 1857 1857 1859 1861 1861 1861 1861 1861	\$53,643 110,464 17,225 48,462 99,538 43,016 49,063 31,000 56,167 66,956 91,470 80,528 40,400 51,556 65,673 78,449 31,150 64,150 190,190	94 Par Par Par Par Par 98 Par	90,882 1,880
Total	*****	1,217,144		12,851

THE PEOPLE DENOUNCE THE GOLD STANDARD.

The disapproval of the mass of the people of the position taken by certain Democrats against silver coinage has been expressed by the people at the polls in thundering tones that have never been heard in any government before since the beginning of civilization. In 1802 they voted for Mr. Cleveland upon a platform which

The coinage of both gold and silver without discrimination against either.

And the Democratic press were emphatic in declaring that this meant free and unlimited coinage of silver. Congress and the Administration refused to redeem this pledge, and in 1894 the States which appear in the following table went before the people with gold-standard candidates upon gold-standard platforms. The result was that these States with silver-coinage candidates and silver-coinage platforms gave 221,469 majority in 1892, and in 1894 with gold-standard Democratic candidates and gold-standard platforms the Democratic party in these same States was defeated, the majority against the Democratic party being 566,769, a Democratic loss in two years of 788,238 in only nine States.

I give below a table the first column of which shows the Democratic majorities in nine States in 1892 with silver-coinage candidates are silver as in 1892 with silver-coinage candidates.

dates upon silver-coinage platforms, the second column showing Democratic defeat, the defeat of Democratic gold-standard candidates upon gold-standard platforms or Republican majorities against them. The third column shows the Democratic loss in

Table showing Democratic majorities with silver-coinage pledges in certain States in 1898 and the defeat of Democratic gold-standard candidates in 1894, and the loss to the Democratic party during two years.

States.	Democratic majority, 1802.	Republican majority, 1894.	Total Dem- ocratic loss in two years.
New York Illinois Kentucky North Carolina Ohio Wisconsin Indiana Maryland Missouri	45,518 156,108 201,63 26,993 123,427 150,4 40,020 *8,912 48,93 32,009 20,751 53,3 50 137,087 137,1 6,544 53,900 60,4 7,125 44,073 51,7 21,130 *18,707 39,8		201, 626 150, 420 48, 962 53, 360 137, 137 60, 444 51, 796 39, 807 44, 524
	221,400	500,000	788, 138

Now, in marked contrast, let me call attention to the fact that

Now, in marked contrast, let me call attention to the fact that in every State where the Democratic candidates and platform were favorable to silver the Democratic party was triumphant. It is true that when the Democratic candidate for governor of Kentucky saw the tendency of the people he attempted to save his party by speaking against the gold standard.

The advocates of high tariff cannot attribute this revolution on the part of the people to tariff legislation, because the revolution was manifested in 1893, before a tariff bill was introduced, McKinley's majority over Neal that year being 80,995 and the Republican majority in New York in 1893 ranging from 19,924 to 101,064.

Before I conclude, there is one feature of the Senate substitute to which I wish to call attention. Three years ago the gold-standard men very generally expressed a willingness for free coinage of silver, provided a clause be inserted which would prohibit national banks from issuing bills of less denomination than \$10. We have that provision in section 3 of this bill, and to our surprise the gold-standard men are just as implacable as ever.

I think the gentleman who preceded me will admit that I have not indulged in mere "assertions and declamations," but that I have presented to the House some grounds to prove not only the great advantage that would follow the coinage of silver, but that it would make the United States a bimetallic country.

it would make the United States a bimetallic country.

ENGLAND WILL NOT LEAVE THE GOLD STANDARD.

That France will not consent to free coinage unless joined by Germany is becoming apparent. That Germany will not act unless joined by England is also becoming evident, and anyone who has watched the British Government must have learned that the moneyed power which controls that nation will hold to the gold standard.

At the conference in Paris, 1878, the English delegation-Declared that England would not recede from the monetary legislation of 1816, establishing the "single gold standard."

Mr. Goschen, the English delegate, said:

England had plainly stated her intentions of maintaining her gold stand ard.

Mr. Gladstone, in a late speech in Parliament, asserted that England was the greatest creditor country of the world, and that foreign countries owed her \$10,000,000,000. He then spoke strongly against silver coinage, and said:

I think under these circumstances it is rather a serious matter to ask this country to consider whether we are going to perform this supreme act of self-sacrifice.

And in speaking of debtor countries he said:

We have nothing to pay to them; we are not debtors at all; we should get no comfort, no consolation out of the substitution of an inferior material. of a cheaper money, which we could obtain for less and part with for more. We should get no consolation, but the consolation throughout the world would be great. [Loud laughter.]

The CHAIRMAN. The time of the gentleman has expired.
Mr. WHEELER. I did not commence until twenty-five min-

The CHAIRMAN. The time of the gentleman has expired. The gentleman has had sixty minutes.

Mr. CULBERSON. I ask unanimous consent that the gentle-

man may have time to conclude his speech.

Mr. WHEELER. I ask for just three minutes.

The CHAIRMAN. Unanimous consent is asked that the gentleman from Alabama be allowed to have three minutes more to conclude his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. WHEELER. I thank my friend and the House for this courtesy. I shall close in a very few moments.

WE SHOULD HAVE AN AMERICAN POLICY.

Although our distinguished chairman of the committee knows that we can not induce either England or Germany to join us in silver coinage, he nevertheless reiterates the oft-repeated assertion of gold-standard men that we can not coin silver without the concurrent action of European nations.

Mr. DINGLEY then says:

It is for this reason that international free coinage of silver becomes the ope and safety of full bimetallism.

Mr. Blaine, in advocating silver coinage, said:

The influence of our example will be potential among all European nations. And in referring to the tendency of Europe to discriminate against silver, Mr. Blaine said:

It is for us to check that tendency and bring the Continent of Europe back to the full recognition of the value of the metal as a medium of exchange.

As a patriotic American, as an American who loves his country, I applaud the statesman-like expressions from Mr. Blaine and I deprecate the unpatriotic, un-American expressions which we now hear on the floor of this House.

One hundred and twenty years ago, when we were but 3,000,000 people, did we not declare ourselves independent of the greatest of Evropeon patrions? And after seven years of bettle bleed and

of European nations? And after seven years of battle, blood, and suffering the efforts of our patriotic forefathers were crowned

with victory.

The brave spirit which actuated the patriots of 1776 descended to their children, who have made the United States the greatest, the most powerful, and the richest country on earth.

Now we stand in the family of nations like the imperial Numid-

an lion of the forest unconscious of our almost omnipotent power. Every patriotic American believes that we should proclaim and maintain our own financial system and our own policy with regard to foreign nations. That alone will give to us the prestige and respect throughout the world which a nation like ours should enjoy.

Now, Mr. Chairman, in closing I desire to say that the people of

Now, Mr. Chairman, in closing I desire to say that the people of the South, a part of whom I represent, have no desire for the enactment of any law which can have a detrimental effect upon the country at large. They realize that this great question is sectional in its character and that this country has become, by the financial legislation of the Republican party, divided into two great classes—the great millionaires, so few in number that they could be covered by the roof of this building, who now own three-fourths of the wealth of the land, while there are 70,000,000 toilers working to support and educate their children. Most of them own no home, many of them are without decent clothing or shelter, and some of them are suffering the pangs of hunger.

When Europeans visit our country they are invited to gilded palaces, and they are dined upon plates of gold, and on their return to Europe they speak in glowing terms of the prosperity of this land of liberty. Europeans read of the charming American farm life which we enjoyed under forty years of Democratic government, and they do not know that the American farmer has become the victim of the Republican legislation which has transformed this country into millionaires on the one side and struggling farmers and laborers on the other. If these people could see the homes of the producers of wheat and cotton, be told of the falling prices, of the fall in the value of land and products of the farm, they would appreciate how a people once happy and prosperous are now suffering from the financial enactments which we denounce, and they would say to the people at home, "America is following in our trail. They are rapidly dividing, like ourselves, the suffering laboring masses on the one side and a moneyed nobility on the other. If the financial laws of that country are continued their Government will be as monarchial and imperial as that of any other nation on earth." [Applause on the Democratic side.]

Coin Redemption Fund.

SPEECH

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. WHEELER said:
Mr. CHAIRMAN: When I made my speech in reply to the chairman of the committee upon this question a few days ago, I referred to the extraordinary and unwarranted statements which were made by the gold-standard advocates in their frantic efforts to sustain their position. I quoted an expression from the great Macaulay, who, in referring to the cupidity and avarice of the moneyed class, said:

If large financial interests were interested in denying the law of gravitation, that proposition would be ably disputed.

As the debate has continued the gold-standard men seem to vie with each other in their extravagant assertions. While I was prepared to hear a great many statements which were entirely without foundation, I admit that I was astonished when my old and highly esteemed friend of more than a third of a century and once fellow-soldier, Colonel Patterson, asserted that during the period from 1850 to 1860 and the period from 1880 to 1890 our country was on a gold standard.

My friend Colonel Patterson is a man of great ability, pro-foundly learned, and is an eminent lawyer, and to see him fall into such an error is a vivid illustration of the extent to which the advo-cates of the gold standard have been misled by the pamphlets which emanate from the club which is sending out gold-standard docu-

Although this same statement has been made by others, I do not hesitate to assert that it is hardly possible for a man to make a more erroneous or unwarranted assertion.

a more erroneous or unwarranted assertion.

The report of the Secretary of the Treasury tells us that from 1850 to 1860 our visible specie averaged about \$250,000,000, which by no means included all the specie in the country, and of this it is very evident that more than \$100,000,000 was silver, the greater part of which was foreign silver. And in my speech the other day I quote from reports of the various Secretaries of the Treasury which referred to the vast amounts of silver money brought from Mexica to the United States of which the George parts and the country which referred to the vast amounts of silver money brought from Mexico to the United States, of which the Government had no record or account.

record or account.

UNLIMITED COINAGE OF SILVER FROM 1850 TO 1860.

The act of 1806, 1819, 1823, 1834, and 1843 made nearly all foreign coins, both gold and silver, legal tender of the United States. The laws of 1792 and 1837 made both gold and silver coins of the United States legal tender, and also provided for free and unlimited coinage of both metals. These were the laws in force January 1, 1850, and they continued in force from 1850 to 1860, except that in 1853 a law was passed providing for the coinage of half dollars and smaller silver pieces of reduced weight, and providing that these smaller silver pieces of reduced weight, and providing that thes coins of light weight, coined in conformity with this law, should be legal tender for all debts not exceeding \$5; but this law did not deprive minor coins issued before that date of their full legal-

The effect of this law was rather to increase the silver in circulation than to reduce it, because it checked the tendency to export silver, which was at that time of relatively more value than gold, and these small silver coins were so much needed for business purposes that they were readily received in payment of all debts. In fact, the purpose of reducing the amount of silver in these coins was to cause them to be more certainly retained in

circulation as money.

In 1857 a law was passed providing that certain foreign coins of 25 cents and less should be received at the Treasury at 20 per cent less than their face, and that they should be recoined, and this silver when recoined into silver dollars immediately became full legal tender for all debts and dues. It is also true that this law repealed former acts which had made foreign coins a legal tender at their full face value. The purpose of this law was to compel the recoinage of foreign silver, but to show how sensitive the business interests of the country are to any reduction of the money of ultimate redemption, I will call the gentleman's attention to the fact that the enactment of this law was almost immediately followed by the great panic of 1857. This was the first check to the tide of prosperity which had rolled over our country between 1850

This shows that the laws of our country from 1850 to 1860 provided for unlimited coinage of both gold and silver, and that during a part of the time all coins, foreign and domestic, were full legal tender, and the greater part of the coins were full legal tender during all of the period.

A FORCE STRONGER THAN THE GRESHAM LAW.

It is true that during that time the production and coinage of gold was very great, the world's production being almost four times that of silver, and the silver in the silver dollar was worth in the market about 4 cents more than the gold in the gold dollar. The Gresham law therefore acted upon all silver, tending to drive it abroad, but this tendency was neutralized by the great pros-perity of our country, which was due to the unlimited coinage of both metals, which instilled such life into all industries and caused such a rise in prices as to invite money to the many profitable investments. This met and counteracted the force of the Gresham law, and both gold and silver circulated side by side.

GOLD-STANDARD MEN REFUTE THEIR OWN ARGUMENTS

But if the gentleman from Tennessee [Mr. Patterson] was right in his contention that we were on the gold standard from 1850 to 1860, and that it caused the great prosperity of that period, he, by this assertion, destroys with one blow the most cherished and valued argument of his gold-standard friends, because he asserts that the great prosperity of 1850 to 1860 was due to the adopting this country of the cheaper me al as our standard, and therefore to be logical and fair he ought to insist that the same great prosperity would result now by following the same plan and adopting the cheaper metal, silver, as our standard.

During that ten years the world's production of gold was \$1,332,981,000, and the world's production of silver was \$372,261,000; and in order to enhance the value of their money the Rothschilds and their associates demanded the demonetization of gold, and that silver, the scarcer and relatively more valuable metal,

childs and their associates demanded the demonetization of gold, and that silver, the scarcer and relatively more valuable metal, should be the only money of ultimate redemption.

They succeeded in causing the enactment of laws demonetizing gold in Holland and also in Germany, but England refused to change the standard from gold to silver, because her colonies were then enormous producers of the yellow metal.

During that period, both in this country and in Europe, men who thought and spoke like the gold-standard men of to-day were loud in demands for the demonetization of gold, alleging as the reason that the gold dollar was only worth 96 cents as compared with silver, but our country was then under the control of true with silver, but our country was then under the control of true Democrats, and single-silver-standard men were unable to accom-

plish their purpose.

This shows how utterly devoid of reason and logic are the argu-

ments of gold-standard advocates.

They blow hot and cold in almost the same breath. In one breath they say that the unlimited coinage of silver will double the value of the product of the silver mines of America, and that the only effect will be to double the profits of silver miners, and in the only effect will be to double the profits of silver miners, and in the next breath they assert that unlimited coinage of silver will enable every debtor to cancel his debt by paying it in dollars which are actually worth but 50 cents each. Now, both of these assertions can not be true. If one is true, the other is absolutely false. Having shown that Mr. PATTERSON was utterly in error in asserting that we were on the gold standard from 1850 to 1860, let us examine his assertion that we were on the gold standard during the other preservous period from 1880 to 1890.

the other prosperous period, from 1880 to 1890.

SILVER COINAGE, 1800 TO 1800.

During this period our silver coinage was \$382,318,867, of which \$312,529,000 was standard silver dollars, which were full legal tender for the payment of all debts and dues, but the silver-coinage law of 1878 provided that-

All silver dollars heretofore coined by the United States shall be legal

The coinage law which was in force during all this period re The coinage law which was in force during all this period required the coinage of practically all the silver produced in the United States. In fact, the coinage at that period consumed every ounce of silver that was not exported or used in the arts, and it was this substantially unlimited coinage which caused the great prosperity which we enjoyed during all that period. The reason why this law did not bring silver and gold to a parity was, as I have before illustrated, that the Secretary of the Treasury, the Hon. John Sherman, discriminated against silver in favor of gold and refused to use these silver dollars for the purpose contemplated in their coinage, and that discrimination against silver and favor of gold has been continued by the Treasury Department in favor of gold has been continued by the Treasury Department up to this time.

WERE PARTHER PROM GOLD STANDARD THAN AT ANY OTHER PERIOD.

To show how far we were from the gold standard at this period, I will call attention to the fact that the \$382,318,967 of silver ex-

ceeded the amount of silver coined by our mints during all the remaining ninety-six years of our Government.

During those ninety-six years our total coinage was \$329,665,546, an annual average of \$3,434,016; while the average during the ten years from 1880 to 1890 was \$38,231,886. This is another illustration of the fearful errors which appear in the statements of our gold-standard friends.

They even go so far as to assert that we were on the gold standard during the ten years in which all silver dollars were full legal tender for all debts and dues, and during which our annual silver coinage was more than ten times as great as the average of other

MY PRIEND'S ILLOGICAL POSITION.

Now I want to call attention to another illogical position of my distinguished friend. Only about four years ago my friend was an ardent advocate of silver coinage and maintained that it would bring about bimetallism.

would bring about bimetallism.

The excessive production of silver was then the argument against silver coinage. At that time the United States produced two and one-third times as much silver as gold, and the world produced one and one-half times as much silver as gold. Mr. Dingley asserts that last year the world produced \$205,000,000 of gold, which is about the same as the silver production. Mr. Dingley also asserts that this year we will produce \$250,000,000, and my friend [Mr. Patterson] himself says in his speech that we will soon produce \$300,000,000. In other words, that the gold production in the

duce \$300,000,000. In other words, that the gold production in the world will exceed that of silver, and yet—

Mr. PATTERSON. My friend is mistaken in that statement. I said no such thing. I said that the estimate was that in 1900 it yould reach that amount.

would reach that amount.

Mr. WHEELER. The RECORD says so.

Mr. PATTERSON. You are mistaken as to the RECORD also.

Mr. WHEELER. Well, the gentleman now says that by 1900
we will produce gold to the amount of \$300,000,000. Now, if my
friend believes that gold will so increase, and the gentleman says
it will increase, that shows that the production of gold would soon
of are exceed the production of silver that himselliers would be so far exceed the production of silver that bimetallism would be

eminently possible.

Mr. PATTERSON. Will my friend inform me at what time and place I made a speech four years ago advocating the free coin-

Mr. WHEELER. I think my friend made a great many such Mr. WHEELER. I think my friend made a great many such speeches when his friends insisted he should be a candidate for governor of Tennessee. His able arguments aided in strengthening my views as a bimetallist. [Laughter.]
Mr. PATTERSON. You are mistaken.
Mr. WILLIAMS. Does the gentleman from Tennessee deny that he made free-coinage speeches?
Mr. PATTERSON. Yes, sir. I made no speech advocating

the free coinage of silver four years ago.

Mr. WHEBLER. The gentleman who has just taken his seat

[Here the hammer fell.]

Cuba.

REMARKS

HON. CHARLES W. WOODMAN,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

The House having under consideration the following resolution:

"Resolved. That, in the opinion of Congress, a state of public war exists in Cuba, the parties to which are entitled to beligerent rights, and the United States should observe a strict neutrality between the beligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest equally in the interest of Spain, the people of Cuba, and other nations would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

Government of the United States should use its good offices and friendly influence to that end.

"Resolved, That the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples, the present war is entailing such losses upon the people of the United States that Congress is of opinion that the Government of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary"—

Mr. WOODMAN said:

Mr. SPEAKER: There are periods in the existence of men and of nations when it becomes proper that they be protected against themselves protected against that abuse of themselves and their kindred which is the overflow effect of unrestrained and senseless

Of all the civilized countries of the world, Spain now has most need of such protection, because it is by every possible means en-deavoring to commit national suicide. Time was when Spain was one of the greatest powers of the world—great in the operations of her explorers; great in the accomplishments of her armies of quest; great in her successes in the reduction of savagery and upbuilding of civilization where had before only reigned chaos. Spain conquered the intricacies of navigation and gave us a new world; Spain waged warfare against natives, and turned the golden trinkets which were captured into good Spanish coin; the golden trinkets which were captured into good Spanish coin; Spain opened up territory to the commerce of the world, protected the missionaries which were sent by the church for purposes of Christianization, and Central and South America stand as monuments of her historical greatness. Spain was great. For three hundred years she held a leading place among the nations of the earth in wealth, in territory, and in intelligence.

True greatness, however, must involve, besides all other elements, the spirit of progress in intelligence and in virtue. An eminent historian has ascribed the decline of the Roman Empire to its lack of Christianity and to its seeking after gods which were new and strange and speculative. But the wisdom of the world

new and strange and speculative. But the wisdom of the world has called the historian wrong. It has considered that its lack of virtue and its lack of progressiveness, engendered by the satiety of immediate desires and a blind faith in the future, were the responsible elements leading to its destruction. It is not difficult to draw the parallel with modern Spain. From a nation of the first class she has ceased to be more than formally respected by the na-tions of the world. Her boasted intelligence, while perhaps great for the fifteenth century, dwindles into comparative insignificance when placed in comparison with that of the world in the time when the nineteenth century is getting ready to put on its shroud. Spain's supremacy is a thing of the past, a matter of history, perhaps, but that is all.

haps, but that is all.

Among the most marked evidences of the degeneracy of this once great State is the fact that her colonial territories are constantly withdrawing from her. South and Central America long since tired of her rule and set up and maintained Governments, generally Republics, of their own. The progressiveness of the Western half world was theirs, and so well did they exercise it in the expressiveness of the description of advantages, which pature produced that the appropriation of advantages which nature produced that Spain finds herself with but the one territorial possession of any importance on the western side of the Atlantic Ocean, and it is entirely an open question whether or not she can do more than simply "claim" that.

The people of the Island of Cuba have been in a state of almost

continuous revolt against Spanish domination for almost a hundred years, and it has been the policy of Spain during all these years to as promptly as possible kill those engaged in fighting for the right to live.

Back in 1823 the subject was one of elaborate diplomatic correspondence, but at that time the question was more one of changing sovereigns than of acquiring absolute independence. The yoke of Spain was a hard one, one that galled the necks of an inyoke of Spain was a hard one, one that galled the necks of an intelligent and industrious people. But in the wisdom of such statesmen as Monroe, Adams, and Clay it was better that Cuba remain a province of Spain than that it should pass into the hands of any other European power. In 1852 President Fillmore considered it desirable to allude in his annual message to the uneasy condition of affairs on that island. This uneasiness grew to such a degree that in 1854 the President appointed a commission, conof the ministers of this Government at London, Paris, and Madrid, to confer with each other and to carry on negotiations with and at the several courts to which they were accredited, looking to the satisfactory adjustment of affairs with Spain in regard to Cuba. The report of this commission contains—after reciting the fact that the Government of the United States had never acquired a single foot of territory even after a successful war according to the contains of th quired a single foot of territory, even after a successful war, except by purchase or by reason of the voluntary application of the the following statement:

Our past history forbids that we should acquire the Island of Cuba without the consent of Spain, unless justified by the great law of self-preservation. We must, in any event, preserve our own conscious rectitude and our reelf-respect. While pursuing this course, we can afford to disregard the censures of the world, to which we have been so often and so unjustly exposed. After we shall have offered Spain a price for Cuba far beyond its present value, and this shall have been refused, it will then be time to consider the question, Does Cuba, in the possession of Spain, seriously endanger our internal peace and the existence of our cherished Union? Should this question be answered in the affirmative, then by every law, human and divine, we shall be justified in wresting it from Spain, if we possess the power; and this upon the very same principle that would justify an individual in tearing down the burning bouse of his neighbor if there were no other means of preventing the flames from destroying his own home. Under such circumstances, we ought neither to count the cost nor regard the odds which Spain might enlist against us. We forbear to euter into the question which the present condition of the island would justify such a measure.

Mr. Buchanan, one of the members of that commission, who had whip of the master cracked over their in the meantime become President of the United States, said in

his message to Congress in 1858 that the Island of Cuba, commanding as it does the mouth of the Mississippi, with the large and increasing trade of that noble river, then embracing half of the sovereign States of the Union and now more than two-thirds, that this trade, of vital importance to that great region, was constantly exposed to the danger of being destroyed in time of war, and had hitherto been subjected to perpetual injury and annoyance in time of peace. He further states that "our relations with Spain, which ought to be of the most friendly character, must always be placed in jeopardy while the existing colonial govern-ment over the island shall remain in its present condition."

Why did President Buchanan feel it necessary to make so strong a statement regarding Cuba at that time? It was before the rebellion in the United States was seriously thought of. There could have been no reason, except that Mr. Buchanan was actuated by the ideas of the preservation of our own noble Government and the interests of its people, and that leading to a cessation of that brutality which, then as now, the Spanish Government visited

upon those engaged in rebellion against its authority.

Again, in 1870, President Grant, in his message to Congress, calls attention to the lamentable disregard of human life which prevailed at that time, and to the violation of those rules of warfare which modern civilization has prescribed in mitigation of the necessary horrors of war. The subject was one of almost constant diplomatic correspondence with Spain, largely relating to the rights of American citizens on that island, but constantly deprecating the manner in which the strife was conducted, the reckless and wanton and cruel disregard of human life, of material wealth, and the established rules of civilized warfare.

That war continued, with all of its murders and massacres, for nearly ten years. The avowed intention of Spain, as set forth in the proclamation of the Count de Valmaceda, dated April 4, 1869, was to murder every male individual above the age of 15 years found away from his habitation, and to destroy with the torch every habitation found unoccupied, or which failed to float a white flag. Regarding this proclamation, on May 10, 1869, Secretary Fish presented this note to Senor Lopez Roberts:

In the interest of Christian civilization and common humanity. I hope that his document is a forgery. If it be indeed genuine, the President instructs he in the most forcible manner to protest against such mode of warfare.

And on the day following Secretary Fish sent a note to Mr.

Hale, minister at Madrid, with instructions to him to protest "against the infamous proclamation of the Count of Valmaceda."
In spite of protests, in spite of the humanity of the age, in spite of the decrees of modern civilization, Spain continued to wage a cruel and relentless warfare. As nearly as can be ascertained, up to the close of 1873 5,986 political prisoners—not prisoners of war, but those who had claimed the right to do their own thinking had been executed in cold blood under what Secretary Fish had referred to as the "infamous order" of the Count of Valmaceda. Nearly 6,000 inoffensive citizens murdered by reason of the fact that they dared to think after having been commanded not to do Those captured in battle, or with arms in their hands, were summarily executed to the number of some 37,000, besides over 13,000 Cubans killed in battle, making a grand total of more than 57,000 persons slaughtered in that sanguinary conflict.

When it is taken into consideration that large numbers of those so disposed of were women and children the monstrosity and heathenishness of the matter become still more apparent and conclusive. Outrages on females were frequent, and the murderous machete completed the work with all—men, women, and children. But for all its cruelty, its murderousness, its lack of the mercy of Christian civilization, the war kept up. Spain could not subdue

Cuba.

Finally the war was brought to a close and the republican government of Cuba disbanded under articles of peace signed by Captain-General Martinez de Campos, and approved by the Government at Madrid, providing a measure of self-government to the people of the unhappy island. The whole cost of the war, over a thousand millions of dollars, was to be borne by Cuban accounted. They were willing to pay the bill if thereby The Cubans assented. They were willing to pay the bill if thereby freedom should result. Not actual freedom, not entire freedom—they did not even exact that—but such a degree of freedom as would secure to them the rights of person and of property and the pursuit of happines

But the freedom did not come. New captain-generals and new officers came over from Spain with new schemes for political reorganization, but not one contained any element of relief. It was the same old story year after year. The promises of Spain were not fulfilled. There were the same enormous taxes imposed by Spain, amounting almost to confiscation of property; there was the same old-time disregard of personal rights; there was the same enormous stealage on the part of petty officials, adding to the burdens under which the people labored. Oppression ran riot. Cuban happiness was out of the question. Their rights they had none. They were as completely alaves as though the whip of the master cracked over their heads in physical as it did There was no relief but in independence, and independence meant war. From past history the Cubans were aware that that war would be most horrible, would be conducted on a basis of murder and assasination and wanton cruelty, but they did not hesitate. A million and a half of people decided, as did our fore-fathers in 1776, that there were no hazards too great to be undertaken looking to the removal of the unbearable load from their

From 1776 to 1783 Americans had their fill of cruelty. The hordes of ruthless savages at the West, armed and let loose, and urged by the Government from which we had separated, swarmed down on the inoffensive settlements, murdered and outraged the women, children, and old men left in them; and the soldiers, the able-bodied men who were at the front fighting the enemy, found on their return to their homes only bones and ashes and desolation and ruin. Gone were the wives and daughters, either to death or dishonor; if perhaps it were mercifully death, the skele-tons lay bleaching on the greensward or blackened in the ashes of tons lay bleaching on the greensward or blackened in the asnes of the burned habitations; gone were the little ones, their innocent prattle forever hushed; gone were the homes which had been pre-pared with such care for those loved ones, and gone was every element that made life worth living, except the one of freedom— the right to pursue happiness, which could be transmitted to future generations.

And in the transmission of that freedom our forefathers left us not only the enjoyment of its rights, but an appreciation of its sentiment. At no time in the history of this country or in any of its wars has there been cruelty practiced by those who were to the manner born. Mercy and honor and a recognition of the rights of combatants have always characterized our people. Even in the war of the rebellion, when millions of men were pitted against each other, there is a record of but a single instance of continued and wanten cruelty, and that by an alien who subsequently reaped his reward. No American on either side, either in the passion and heat of battle or in the coolness of spirit which comes from long marches, would so far do violence to his own nature, to his

iong marches, would so far do violence to his own nature, to his Americanism, to practice methods which, by the principles of heredity, it was his nature to look upon with horror and disgust.

A year ago the Cubans, having found all their hopes, not only of freedom from the enthrallments which surrounded them, but also their hopes for justice at the hands of Spain, founded on the promises of 1878, unfulfilled and frustrated; having found that no longer might they look for justice, but only be the slaves of a colonial conspiracy for plunder; having found that the faith of Spain had been entirely forfeited and that its promises of justice, made by itself, had only been made as a matter of deception, to be set at naught without even recognition—a year ago these million and a half of people decided to be free.

set at naught without even recognition—a year ago these million and a half of people decided to be free.

Since then Cuba has been in the throes of conflict. Beautiful, sun-kissed Cuba, the garden spot of creation, has again been deluged with blood. The gentle winds which waft over her surface have, from hundreds of fields of conflict, absorbed the blood of humanity. The waves which caress her shores have lapped up the blood of patriotism and oppression alike. The soil of that magnificent island, whence most of the sweetness which we assimulate is derived, is fertilized by the blood of thousands.

ulate is derived, is fertilized by the blood of thousands.

Originally, Mr. Speaker, Spain sent over some boys to quell what they called an insurrection. The boys, not being acclimated, what they called an insurrection. The boys, not being acclimated, died of disease. Then more mature soldiers were sent, the flower of the Spanish army, led by the greatest of Spanish generals, he who had negotiated and arranged for peace eighteen years ago. This man, Martinez de Campos, went to Cuba at the head of a great army to put down and again enslave the people of that island. In spite of the fact that the promises which he had made were, after all these years, unfulfilled, it was evidently expected that more promises, more deceptions, accompanied by a show of great armed force, would make the people hunt their habitations, and with their heads concealed, like the bird in Æsop's fable, consider that they were shielded from the wrath of the expected

Such was not the result. Instead of subduing Cuba, General de Campos was obliged to withdraw his troops into the very strong garrisons of the island. Up to and around these garrisons the armies of the Republic of Cuba roamed at will, and the general of

the Spanish forces found himself powerless.

On the 19th of September, 1895, the Cubans had perfected the organization of the Cuban Republic, under a constitution previously adopted at a convention held at Camaguey. There were then elected the following officers:

Fresident, Salvador Cisneros Betancourt; vice-president, Bartolomé Masó; secretary of war, Carlos Boloff; secretary of foreign affairs, Rafael Tamayo; secretary of the treasury, Severo Pins; secretary of the interior, Santiagos Cañizares; general-in-chief of the army, Maximo Gomes.

These gentlemen are all of the highest standing in the island for intelligence, social rank, and means. The president is the same person who as president laid down the scepter of government in 1878 in response to Spanish promises to the people which were destined to be dishonored. He comes of a family which has furnished many examples of greatness in the legal and scientific his-

tory of Cuba. His estates were confiscated in 1868, and he then renounced his title of nobility.

Bartolomé Masó, the vice-president, is a tried patriot, who has rendered valuable services to the cause of liberty. A sincere re-publican, he has always been highly respected and esteemed for

his liberal ideas and his sterling character.

Gen. Carlos Roloff, secretary of war, was born in Poland, but went to Cuba when a mere youth and established himself at Cienfuegos, where he attained a distinguished position for his intelligence, industry, and integrity. In 1869, at the head of a number of young men from the most prominent families of that city, he joined the revolution, and until the end of the war in 1878 occu-

pied the first rank, both for his bravery and military talents.

It may be well to add in this connection that the assistant secretary of war is Mr. Mario Menocal, so well known in this country on account of his distinguished work with the Nicaragua

Canal engineer corps.

Rafael Portnondo y Tamayo, secretary of foreign affairs, is a distinguished member of one of the most prominent families of Santiago de Cuba, both for social rank and wealth, no less than for the talents of some of the individuals belonging to it, who have distinguished themselves in the liberal professions.

Severo Pina, secretary of the treasury, is a prominent citizen of Sancti Spiritus. He belongs to an old and wealthy family. Joaquin Castillo Duany, assistant secretary of the treasury, is a

gentleman not unknown in this country, having been one of the bypysicians who took part in the Jeannette relief expedition to the North Pole. No names stand higher in Santiago de Cuba for wealth, respectability, and integrity than those of Duany and

Santiago Cañizares, secretary of the interior, is as prominent a citizen of Remedios as the others are of those cities and States

The general-in-chief, Maximo Gomez, although born in Santo Domingo, is as much a Cuban in feelings, ideas, and aspirations as the best of them. As to his military talents nothing need be said, for they are too well known.

said, for they are too well known.

These men, Mr. Speaker, compose the Government of the Republic of Cuba. They are of the same class of gentlemen, in statesmanship, in material wealth, in intelligence, and compare favorably with those of our ancestors who in 1776 signed the document which made the great Bell of Liberty send out its peals of emancipation from foreign domination, and of whose intelligence and honor and patriotism there has never been question.

This Republic of Cuba, headed by the men whose names have just been given, have waged a war of self-preservation. The people of that Republic have fought and are fighting for the protection of their homes and their families; they are fighting for the priv-

of their homes and their families; they are fighting for the privilege of tilling the soil and harvesting and enjoying its increase; they are fighting for the lives of their sons, the virtue of their wives and daughters, the protection of their homes, and their own

wives and daughters, the protection of their homes, and their own lives, all of which, under present rule, is sacrificed.

To quell this desire on the part of Cubans—as well might they try to dam Niagara or flood Popocatapetl—the Spanish Government the other day withdrew General de Campos from his position as captain-general of Cuba and sent in his place the most ferocious butcher among all its leading officers, or who ever disgraced military standing, in the person of one General Weyler. This distinguishedindividual has arrived, has taken command, and among the first of his official proclamations is a practical duplicate of that which President Grant and Secretary Fish regarded as "infamous" when it was enunciated by the Count of Valmaceda in 1868. General Weyler orders that every male person over 15 years 1868. General Weyler orders that every male person over 15 years of age found away from his habitation shall be shot. He orders that all unprotected women shall retire to the garrisoned towns—perhaps to be the playthings of his soldiers! He orders that all houses found uninhabited are to be burned, and that all persons engaged in trade shall turn their effects over to his officers.

engaged in trade shall turn their effects over to his officers.

Can anyone imagine an order more far reaching and cruel?

The same order authorizes subordinate officials of the army to carry out the directions for butchery and make reports to him—the chief butcher. It is apparent that the same methods will and do prevail—as to the absolute inhumanity of its practices—which caused the war of twenty years ago to be the most horrible blot on the escutcheon of Americanism—a stench in the nostrils of Christian and Chri on the escutcheon of Americanism—a stench in the nostrils of Christendom. Shall the present generation permit a repetition of those horrors? is the question now before us. Shall we, as the embodiment of the spirit of freedom, as the representatives of that regard for human existence and that respect for the inherent dignity and justice and excellence and righteousness and even Godliness, of the right of the individual, male or female, to virtue, to intelligence, to property, and to physical safety, permit this?

We are faced with the question now, and it is one that burns, Shall this great Government, holding the ideas and sentiments of mercy it has always practiced and which the world of civilization has practiced since we came into being as a nation, permit those ideas, which are also the ideas of the world at large wherever the Stars and Stripes are known—shall it be permitted by us that

this monstrous wrong continue? Shall the fury of the soldiers of Spain be permitted to devastate humanity without protest? Shall the slaughter of the innocents be permitted to be resumed? If this war lasts for ten years, as did the former one, shall there be a record of blood, covering 6,000 people unarmed, noncombatant, untried and unconvicted, who will have been murdered? I think

Mr. Speaker, in order to give an adequate idea of affairs in Cuba it becomes necessary to go over a little more ground. The republican armies have been in the field for more than a year. The Government of the Republic has been in existence since the 19th of September last. This republican Government and its armies hold and have held control of all the territory of the armes have a state of the season of the seas the guns from Spanish men-of-war are of sufficiently heavy caliber to reduce those cities to ashes should they come into the control of the Republic. To avoid this slaughter and this wanton destruction, Cuba has refrained from taking permanent possession of any of the cities of the seaboard. The railways of the interior are entirely within its control. The means of subsistence and existence belong to it so far as they are not dependent upon the outside world. The lines of warfare now consist of little semicircles drawn about the seaport towns, and in those towns are the soldiers of Spain, ready to do their alleged duty of shooting and hanging citizens, outraging, maltreating, and murdering their wives and sisters and daughters, and shooting down in cold blood their little sons. An embargo is placed upon the tongue on the their little sons. An embargo is placed upon the tongue, on the pen, and would be upon the brain, if the famous X rays of modern science had been sufficiently developed to enable the tyrant in charge to discover the thoughts of those who surround

These conditions prevail, Mr. Speaker, within 60 miles of our coasts, almost within sight of our shores. The Island of Cuba, which is the scene, controls the gateway to the Gulf of Mexico and the enormous trade of that section of the United States. I do not allude to the enormous interests of the citizens of the United States on the island; they are being protected mainly by the Cuban Republic.

Cuba, free and enabled to make her own laws of offense and defense, of revenue, and of duty, will be a most valuable neighbor. Of her subsistence, American flour, now admitted under a duty of Of her subsistence, American flour, now admitted under a duty of one and one half times its value here, would find an open market, and its consumption by a million and a half of people will greatly relieve a pressure existing among our growers of wheat. The American producers of a thousand other articles of commerce would find an open market, subject only to such duties as might be decided upon for revenue purposes. The trade of this country in every direction will be enhanced by the freedom of Cuba. Not only will our commerce be relieved of the disagreeable and often prohibitive restrictions placed upon it by Spain, but we, by reason of proximity and by reason of commercial nearness, will be in the position of the "most favored nation." as it is known in diploonly will our commerce be relieved of the disagreeable and often prohibitive restrictions placed upon it by Spain, but we, by reason of proximity and by reason of commercial nearness, will be in the position of the "most favored nation," as it is known in diplomacy. Apparently, and from every standpoint of judgment establishable in the human mind, it is to the interest of the United States that Cuba should be free. Humanitarianism, self-protection, the lives and properties of our citizens, the openness of our commerce, all demand it; the rights of our own citizens are involved; the echoes of the grief and the enforced dishonor of thousands, wafted to our near-by shores on the winds of eternal humanity, demand that Cuba be free.

There can be no argument, from our standpoint, successfully made against the freedom of the unhappy island off our coast. Only the promise that Spain would take care of and protect her own prevented President Grant from taking definite action more than a quarter of a century ago. Those promises have been unfulfilled, and it becomes our duty, not only as Representatives, but as citizens of this great Republic, to see that this carnage ceases; to see that every man, woman, and child on the great Continent of America and its adjacent islands have the right to "life, liberty, and the pursuit of happiness."

We should not merely accord to Cuba belligerent rights—we should recognize her independence. What has Spain there? Only a few seaports and a standing army which keeps under the guns of the military posts. What has the Republic of Cuba? The whole island except those few seaports. The armies of the Republic keep the forces of Spain hemmed up in their garrisons like a lot of chickens driven to roost, yet we hesitate to recognize the fact. They can escape, but they can not conquer. The Cubans, being Americans, are unconquerable.

The only objection ever urged to the recognition of Cuban independence is that it would be a blow aimed at a friendly power. This I deny. No power can be or should

tion of the end of the present century and the cruelty and torture

of the Dark Ages.

And yet the Government of Spain desires to insist that no condition of war exists in Cuba. "Only a few roving bands of persons dissatisfied with the present administration of affairs." But those dissatisfied with the present administration of affairs." But those same roving bands have driven the Spanish soldiers into their holes—the protected seaports—every time. All that Cuba requires to drive the last Spanish soldier from the island, the last element of Spanish control from its soll, is the recognition of its independence, or even a declaration of neutrality by the great nation nearest and most affected by it—the United States of America. It is not necessary to allude to the action of Spain previous to and during our late war; that is too well known.

The United States is under the same obligation to Spain that it

The United States is under the same obligation to Spain that it is to any other nation—under the implied obligation to observe neutrality between it and the nations with which it may be at Spain does not desire that we observe that neutrality in her war with Cuba, but insists that we resolve ourselves into a nation of detectives to capture and imprison such of her enemies as may be found upon our soil, upon her unsupported statement that no war exists. The position she takes is in itself an insult to the intelligence of America and Americans—a position so full of self-evident fallacies that it can best be characterized by the somewhat

vulgar but infinitely expressive term—"bosh."

This is the situation, Mr. Speaker: Shall we, as independent and free Americans, recognize the independence of our next-door neighbors, thereby placing them in a position whereby they may defend themselves and their families and possessions like men, or shall we sit supinely quiet and thereby give countenance to the unspeakable horrors and atrocities which mark the conduct of the Spanish arms on that island? Action has already been delayed too

Spanish arms on that island? Action has already been delayed too long. The record of murder and assassination and outrage and incendiarism, to say nothing of the oppression and the gags put upon free thought and free speech, is already too long. It is time for us to act, and we should act quickly.

In such case, Mr. Speaker, I can see in my imagination a few years hence a magnificently fertile and productive island lying a few leagues off our coast, possessing all the blessings and advantages which constitute the happiness of its people. As I see it in my mind's eye, it flows with milk and honey, as did the land of Canaan when Moses looked down at it from a high place. Its fields are well tilled and productive; its children are being educated by a system of public schools equal to those which our own children enjoy; reciprocal trade relations with their nearest neighbor and an honest and economical administration of public affairs place no embargo upon the accumulation of wealth; and affairs place no embargo upon the accumulation of wealth; and the diffusion of intelligence, the free expression of thought, and the glorious rays of God's sunlight shining into hearts as well as

the glorious rays of God's suning in to hearts as well as upon fields, make it a land of peace and happiness and plenty.

The struggles of the past are remembered only as a sad, troubled dream. All present and future are surrounded by the luminous halo of supreme joyousness and love.

Do you like the picture? Compare it with the one you see at present, the one reflected by the page of every current newspaper, and then you.

and then-vote.

Coin Redemption Fund.

SPEECH

HON. NICHOLAS N. COX.

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, February 11, 1896.

The House having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. COX said:

Mr. SPEAKER: There is one thing we are all agreed on. That is, that the finances of this country and its business are in a most deplorable condition. That this has been the state of things several years there is no dispute. It is useless to charge each other with being responsible for the trouble when we all have or should have the same desire and patriotic motive to cure the evils we are laboring under. I have not heard a speech made or a statement uttered that denies the unfortunate condition we are in, and that remedial legislation is imperatively demanded. If we then shall be able to reach a broad, liberal conclusion and fully meet the question, we shall have done our full and patriotic duty.

The Republican majority of this House offers a remedy in what it terms an emergency bill. This bill, in any aspect you may take it, is a bill that looks to the borrowing of money. True, when the money is borrowed part of it is to be used one way and a part another way. Unlimited power is given to the President to borrow

money for the purpose of maintaining the so-called gold reserve. A limited power is given to borrow money to pay the expenses of the Government. Fifty millions is the limit for the latter pur-pose; no limit as to the former. In either case it involves the pose; no limit as to the former. In either case it involves the Government in debt. The proposers of this bill insist that it will be needed but for a short time, if by proper legislation the revenues of the Government are increased. This they propose to do by increasing the tariff. This, I may say in passing, is the universal remedy of that party for all political woes. The President meets this proposition by saying that such legislation as is proposed would be a complete failure. He answers the proposition by the preparation of the expenses of the ex possed would be a complete failure. The answers the proposition to borrow money for the purpose of paying the expenses of the Government by saying that there is no need of it; that there is not only enough collected to pay our expenses, but more, and that he has a large surplus remaining idle already collected for that

As to the other proposition, the President insists that if carried into law it could not and would not protect the gold reserve unless you go a step farther and use the money as contemplated, and when so used every United States note, or any other kind of note that preys and eats upon the reserve, be destroyed when paid with the money so borrowed. To this last idea of the President the entire House, almost unanimously, and without reference to parties, dissents. These are the precise questions and differences between the President and this House as to this legislation. It ought not to escape attention that in the bill offered by the Committee on to escape attention that in the bill offered by the Committee on Ways and Means the use of two kinds of money is recognized. In the sale of bonds to protect the gold reserve, these bonds would have to be sold for gold. Although the bond is payable in coin on its face, it can not furnish gold to protect a gold reserve unless sold for gold. The other section authorizing certificates of indebtedness to be issued, as they are called, payable in lawful money. I desire to emphasize this distinction in showing the advantage given to one class of creditors of the Government over another. The holder of greenbacks obtains gold on his note, now at a premium, and the shipbuilder or other creditor receives silver, which ways any is only worth 50 cents on the dollar. This is the position on say is only worth 50 cents on the dollar. This is the position

you say is only worth 50 cents on the dollar. This is the position the Republicans occupy in passing this bill.

But, Mr. Speaker, let us compare the policy of the Administration with the bill proposed. No one will contend that to extend the authority to issue bonds and borrow gold and pay "green-backs" and immediately put in circulation these paid greenbacks, will stop the raids for gold. There is not the least remedy in that to check or break the repeated withdrawal of gold from the Treasury; it only affords greater facilities to run the Government in debt and furnish the very best securities for the loaners of gold.

This is the view of the President, and certainly correct. No one doubts this position as being correct. The President, therefore, says that when you once borrow the gold and pay the greenbacks when presented, destroy them. This bill, taken alone and disconnected with the proposed tariff bill, says no, borrow the gold on a new kind of bond, and when you pay or redeem the greenbacks turn them out in circulation at once and borrow more gold, issue more bonds, and perpetually redeem and pay without end. This is exactly what is being done now. We have borrowed two hundred and sixty-two millions in a very short time, and not one hundred and sixty-two millions in a very short time, and not one dollar of the greenback has been destroyed. Under the policy rec-ommended by the President, that is, the destruction of the greenbacks when redeemed, a contraction of the currency equivalent

backs when redeemed, a contraction of the currency equivalent to the a count of the greenbacks destroyed must occur.

The tariff bill introduced, of course, is to be considered as a part and parcel of the proposed bond bill. This bill, considered with the other, proceeds on the idea that, notwithstanding the statements of the President and Secretary of the Treasury, the whole trouble grows out of the insufficiency of the revenue, that the Government is really borrowing money to pay necessary expenses. I confess that I do not see much difference in the Government borrowing gold to pay greenbacks and then using these greenbacks to pay necessary expenses and in borrowing gold to pay expenses. It does, however, make the greenbacks absolute gold securities. But how is the tariff bill to assist the policy and break what is called the endless chain? If the President is right, that is, the President assuring us he has ample revenues to pay expenses, and this tariff bill increases the revenue forty millions and this tariff bill increases the revenue forty millions annually, then there would be placed in the vaults of the Treasury forty millions annually not needed. A contraction annually of the currency forty millions; this sum is not far from the amount

of the currency forty millions; this sum is not far from the amount of dollars our mints could coin in a year in silver.

But suppose the President is wrong, and that we are going in debt because of want of revenue in paying expenses, and that it will require this forty million annually to keep our accounts square. Now, how will this additional money collected in the least protect the gold reserve? If you say it will create a fund larger than is needed for expenses, and therefore there will be no demand for gold, you assume a position that the President and Secretary are either seriously mistaken in, or do not understand what they are saying about the matter. That is exactly the condition

they claim surrounds them, and yet it does not stop the demand for gold. But suppose that the assumption of the committee is right and that a surplus of revenue will stop the demand for gold, I ask any gentleman present to tell me how this can be the result? Under this idea of increased revenue by increased taxes you that the care handers substantially as if the green books.

bring about the same burdens substantially as if the green backs bring about the same burdens substantially as if the greenbacks were canceled and interest-bearing bonds placed in their stead. You tax the people to obtain surplus revenue; you tax the people to pay interest on bonds. But taxation for either purpose will not stop the raid on the gold reserve so long as the Government continues the present policy of selling bonds for gold, and then pay gold for greenbacks. If it is said that through an excess of revenue the dangerous greenbacks could be collected in and held in the Treasury, and in that way stop the gold operation, then it must be admitted that to get them into the Treasury they must be brought there by increased taxation, or at least by taxation, and when so obtained and held you have as completely contracted the when so obtained and held you have as completely contracted the circulation as would the plan of the Administration. The plan under the present bill, to protect the gold reserve, if it can have such effect at all, is to hold the greenbacks when they reach the Treasury, and thus destroy the means used to deplete the gold reserve. This must necessarily contemplate an excess of revenue over expenses at least equal to the amount of the greenbacks held

The proposition is to my mind intolerable. It means, tax the people and take from their circulating medium, and when you have obtained it lock it up in the vaults of the Treasury, for fear have obtained it lock it up in the vaults of the Treasury, for fear that this money, this circulating medium, may be used to reduce what you term a gold reserve. How long do you proposé to hold it in prison? How much do you propose to put in prison? If you leave out one hundred millions, yes, fifty millions, the reserve can with perfect success be depleted and your difficulties remain just as they are. So to chain this paper money that is used to obtain gold from the Government in effect destroys that much of our circulation and the contraction of the contra circulation, and you are guilty of increasing taxes and contracting the means to pay these taxes at the same time. The same results will be reached and the same effect had on our finance under this

will be reached and the same effect had on our finance under this plan of the committee as the one proposed by the Executive.

Contraction of the currency and increased taxation are for one purpose only; that is, to hold this country to a gold standard.

But, Mr. Speaker, suppose this bill becomes alaw, or that the policy of the Executive is put into legislation, and every dollar of greenbacks is destroyed or locked up in the Treasury, what have you got? One hundred millions of gold locked up, and over four hundred millions of greenbacks locked up or destroyed, and your circulation contracted at least one-third.

You are left with a paper circulation of national-bank notes and silver certificates.

silver certificates.

It is conceded that we are on the basis of a gold standard; that property, labor, and all our currency used as money must be as good as the standard. There being but one standard, gold, all questions as to parity at once cease. The money is gold, and gold only, and it carries the paper and the silver dollar with it because they are convertible into gold. Every speaker on your side of the question claims that he is for the use of silver so far and no farther, as long as a silver dollar is as good as a gold dollar. No difference how many silver dollars you have, if they are convertible into gold dollars, the silver dollar will be but the representative of a gold dollar, gold being your single and only standard. But suppose the coined silver dollar can not be converted at will into a gold dollar; then you have reached that terrible calamity you refer to, of having two dollars of different values.

Let me make this point plain to show what I think is the ab-

Let me make this point plain to show what I think is the absurdity of some positions advanced. Assume that under the proposed bill, or the idea of the Administration, the greenbacks are locked up or destroyed. Do you then propose to hold a gold reserve or abandon it? If the reserve is abandoned, and you hold no reserve whatever, will you tell me how the Government is going to keep its dollars all of equal value? Suppose A demands of the Government gold for his silver dollars, and the Government declines to exchange with him. Is not the value of the of the Government gold for his silver dollars, and the Government declines to exchange with him. Is not the value of the silver dollar leasened and the equality of the dollars destroyed? Suppose a certain amount of bank notes are sent in to the Government for redemption, the greenbacks all destroyed, will the Government redeem them in gold or silver? If in gold, then a gold reserve is again necessary, and the raid is on again through bank notes; and, as I see it, the same with silver dollars.

notes; and, as I see it, the same with silver dollars.

After the bank notes have been redeemed by the Government and the banks called to make good the redemption made by the Government in the first instance, will the Government demand of the banks to return the gold used for the redemption of the notes in the first instance? If so, then the demand for gold by the banks will send it to a premium at once. But suppose the bank declines to return the gold to make good the redemption made by the Government, but offers to return the silver when the Government has paid out gold, and the Government accepts it, how long will the Government be able to redeem in gold? But suppose the

Government declines to take the silver for the redemption and demands that the gold shall be returned, then the silver dollar has again parted company with the gold dollar, and you have dollars of different values

of different values.

The plain truth plainly told is that every dollar of paper and silver circulation outstanding is depending on gold for its value. There is no bimetallism or any question of parity. It is a question only how much silver and paper can be redeemed in gold, and that redemption to be made by the Government. Let me suggest here in regard to bank notes that while the banks may ultimately redeem their notes in gold, the Government must first redeem them, and this does not in the least lessen the demand for gold. Can it be expected that the banks under the circumstance. gold. Can it be expected that the banks under the circumstances will take out circulation when every note is a gold-demand note

Mr. Speaker, just in this connection let me call the attention of the House to the absurdity of this financial system. It is settled by law that we have three kinds of money that are legal tenders, full and complete between individuals. A tender in court is a full response to any contract made between individuals when is a full response to any contract made between individuals when the contract is payable in dollars. Gold, silver dollars, and green-backs are these moneys. When you assume that silver and green-backs are redeemable in gold, then every contract is a gold contract whether named in the contract or not. A sues B, B tenders in court silver dollars; this satisfies the contract. A takes the silver dollars and demands of the Government the gold. The Government refuses to redeem; then the metals have again parted company. But suppose B tenders greenbacks; this satisfies the contract, and A presents the greenbacks, you pay him in gold. Now, is it not plain that the debtor will tender on the contract the cheaper money, and thus the silver dollar becomes less valuable than the greenback? How is the Government to preserve the equal value of these different dollars unless all are redeemable in gold value of these different dollars unless all are redeemable in gold if the gold standard is to be maintained? I would be glad to hear from any gentleman who will announce his willingness to vote and declare by law that every contract, private and public, is dischargeable alone in gold. This is exactly the effect of a single gold standard.

Say that I hold in my hand five dollars in gold, five dollars in silver, and five in greenbacks. Is the \$5 in value the same? I can buy the five silver dollars with the gold. I can buy the five in greenbacks with the gold. The five in greenbacks will buy the five in gold, or the five in silver. What will the five in silver buy? It will not get the gold or the greenback, the equivalent of gold. I speak with reference to the operations of the Government. Then I ask if the Government itself has not created dollars different in value? But it has been repeated over and over again that the silver dollar is equal to the gold dollar. I deny it. The gold will buy the silver, but the silver will not buy the gold. Its purchasing power of commodities between individuals is a totally different thing, to be seen hereafter. So I conclude this proposition by saying that if the Government fails to redeem silver in gold just saying that it the Government hais to redeem silver in gold just as it does greenbacks, which it virtually does, then silver is not the equivalent of gold. If it decides to redeem silver in gold, then the raid on the gold reserve can be made with silver if every greenback was burned up. Then tell me what relief this proposed bill gives, leaving both greenbacks and silver to attack the gold reserve by simply authorizing more bonds to be issued, leaving both the silver and greenbacks full sway to reach the gold reserve? What relief does it give if the greenbacks are still left to repeat their perpetual raids on the gold?

It was never expected that this bill would become a law. It was never expected that this bond bill and its running mate, the

tariff bill, would either of them become laws. The object is to make a show of relief, when neither of them can have the least effect in changing our conditions, except to make them worse by

increased taxation

If I have been able to show that this proposed legislation will be an utter failure in preventing the Government from going in debt, and the present policy is to be continued of borrowing money under an unlimited authority to issue bonds, I ask, in all

candor, where will this stop?

In times of profound peace and the Government in full opera-tion, with all its power to tax, shall we continue to involve our-selves in debt at the rate of near one hundred millions a year, with no end to this scheme in sight? Are we to be the gold pur-chasers for the world and load our people with debt to accommo-date the foreign gold gambler and the avarice of gold sharks? Shall we absolutely surrender our Treasury and our system of funness to the hanking houses more traders and recognitions in finance to the banking houses, money traders, and speculators in our securities at the sacrifice of one hundred millions annually of debt imposed on the labor of our country?

Will any gentleman on this floor tell me what has become of the proceeds of the bonds already sold? We have sold our credit to the amount of two hundred and sixty-two millions. We have received that sum in gold. What has become of the gold we got? The Treasury has it not, and will be again selling our credit for more gold. What has become of the greenbacks bought with this

gold, if the gold was expended for greenbacks? Have we the greenbacks? The answer is no. The Secretary of the Treasury tells us that his receipts for expenses are more than ample. If so, where are the two hundred and sixty-two millions of gold borrowed or the greenbacks bought with the borrowed gold? Was there ever such a system devised or invented to absolutely cover this nation with an enormous debt? Will the credit of our Government be maintained by involving it in enormous debts? Does an individual business man maintain his credit by going in debt? I thought the way to maintain credit was to keep out of debt. But a new financial idea is born, and we now see the old mark rubbed out and learn that the way to have credit is to continually burden that credit with debt.

After weeks of labor and thought the Senate of the United States has proposed legislation that in its judgment will effectually cure these burning evils, and that leads this House up to the consideration of the soundness of the views expressed by that great body. It is beyond question that if the legislation suggested by the Senate is defeated, and I have no doubt it will be, then we are exactly at the place we were when Congress met, with the addition of one hundred millions more of debt. May we not well say to ourselves that although the Senate's proposition may not fully concur with our views, yet there can be no danger of making matters worse than they are? We should try something, even if doubtful.

There are three ideas in the Senate amendment I desire to discuss for a short time and keep as clear as possible from the array of figures and statistics that have been so fully used in this debate

The great proposition is the free coinage of silver, and upon this

the other two propositions mainly rest.

I assert confidently as a constitutional question that the money I assert confidently as a constitutional question that the money metals of this country under that instrument were recognized, and that the idea of money was based on the metals gold and silver. It was never intended to give to Congress the right to coin money out of either gold or silver. The proceedings of the convention in making that great organic law show beyond dispute that when the restriction was put on the States that nothing but gold and silver should be made a legal tender, the two money metals were placed exactly in the same position. If we should read the Constitution in its plain meaning and the meaning developed by the constructors of that instrument, connecting the two clauses in their meaning, you would have that Congress shall have the power their meaning, you would have that Congress shall have the power to coin money out of gold and silver and regulate its value, and no State shall make anything else a legal tender in the payment of

True it is that questions have arisen as to how much of one metal shall be equivalent in law to a given quantity of the other, but until very modern times it was never contemplated that money coined out of one metal should be the money of the country, and the other used for money only to the extent that its value was made equivalent in an amount under commercial, commodity regulations to the other. Some such value may be considered in fixing the value of the two, but never is that an argument that one is worth only what its commercial value would be as a commodity compared with the other. There would be no sense in following that abstraction alone. If 15 ounces of silver is worth as much as 1 ounce of gold—the latter coined into money, the former not—then by the coinage of the silver you could only get the ounce of coined gold, which you do without the trouble of coining. fix gold as the standard money alone, and deprive silver of its greatest value, to wit, that of money, and then say you can not coin silver until its commercial value is equal to the money value of gold, you have simply announced a position in effect that gold money must control and govern silver as a commodity. theory or position does not answer the constitutional point that Congress must coin money out of both metals, and if Congress can destroy silver in use for money it can destroy gold; if it can destroy one it can destroy both, and make the money of the country anything that Congress wills. Then the States are left with no silver coined, no gold coined, but must have these metals, and nothing else, to make legal tenders. That means the States shall make nothing but gold and silver legal tenders, and Congress responds, we will not coin either gold or silver, or, that we will coin gold and deprive the States of the use of silver as legal tenders, in open violation of the Constitution. Mr. Webster's views are certainly conclusive on this point. He says:

I am certainly of opinion that gold and silver, at rates fixed by Congress, postitute the legal standard of values in this country, and neither Congress or any State has authority to establish any other standard or to displace this andard.

Can language be plainer, more distinct or conclusive? But, just n this connection, let me quote from the father of Democracy.

If we adopt the dollar our unit we should strike four coins—a golden piece qual in value to \$10; a unit or dollar itself of silver.

This was his language before the Constitution was adopted. Now, can any reasonable man say that our fathers in the Consti-

tution left it to the caprice of Congress to make legal-tender money out of anything a Congress might decide? Where would be the stability? Do not let it escape from the mind that the moment you recognize in Congress the right to make gold the only standard of money you recognize the right to make gilver the only money. When you recognize the power to destroy either, both are at the mercy of Congress, and paper flat money may be the result. There are no stronger constitutional arguments for paper flat

money than the single gold-standard men advance.

But I hope I may close this point of my argument with what Jackson said about it. Please remember always that the Constitution fixed the money metals of this country, and did not leave it to Congress.

Congress having established a mint to coin money and passed laws to regulate the value thereof, the money so coined, with its value so regulated, and such foreign coins as Congress may adopt, is the only currency known to the Constitution.—Veto Message United States Bank.

I challenge the history of our country to find a single statesman, or even a politician, that ever contended that our standard money should be gold alone until the power of capital, gold capital, asserted itself in our legislation in Government securities. Name the man; name the legislator.

I can not stop here to go over in detail the votes in Congress of

my party showing its construction of the Constitution and its advocacy of silver as a constitutional money metal. Suffice it to say that in every vote cast on this subject, with the exception of one vote, the repeal of the purchasing clause of the Sherman Act, an overruling majority of Democrats have stood by the constitutional money metals of gold and silver. With them has been a large element of the other parties, standing firmly by the same plain and convincing construction. I admit, with sorrow and regret, that men of my party have forsaken the doctrine of our fathers. I admit that men have tacitly confessed that after ten years, twenty years, thirty years of teaching the people for gold and silver as constitutional money metals they now in effect confess that while so engaged they now know they were wrong, and when they leap from that chasm of ignorance, as they seem to think, they leave their old followers, with rather a sorrowful sigh, in pitying the ignorance they have for a lifetime been engaged in say that in every vote cast on this subject, with the exception of they leave their old followers, with rather a sorrowful sigh, in pitying the ignorance they have for a lifetime been engaged in formulating. Such expressions as "Fools never change," "Chinamen never change," and the "beasts never change," seem to be absolute consolation to them that they have escaped from an ignorance they were never able to observe, until at last the blandishments of power and flattery of patronage tore away the veil from their benighted, honest, ignorant conceptions. How easily are they consoled. May it not be well here to revive in our memories a familiar scene? You may furnish the characters:

"Do you see yonder cloud that's almost in shape of a camel? By the mass, and 'tis like a camel, indeed.

Methinks it is like a weasel.

It is backed like a weasel.

Or like a whale?

Very like a whale.

Then will I come to my "Grover.

If I have been able to show that our money should be under the Constitution made of gold and silver, and that has been the doc-trine of the Democratic party without any change, then there must be some serious and momentous reason why we should abandon our faith, and there can be no justification for violating the Constitution. But suppose I am mistaken as to the constitu-tional question, then there must still exist great cause for our party to be justified in reversing its time-honored doctrine. We had both metals as money metals for over eighty years, and no greater prosperity ever blessed a people. If while we adhered to that idea we were blessed, and when we abandoned it we were that idea we were blessed, and when we abandoned it we were cursed, certainly it is fair to assume that the money question has much to do with our present condition. In a short time after we inaugurated the gold standard our public men and the approaching depression admonished us trouble was coming on us. What were the reasons that led up to the act of 1873? The arguments now used did not sustain the action then. Silver was not at a discount compared with gold. It was at a premium.

not at a discount compared with gold. It was at a premium. Then, it was not demonstized because it was a cheap dollar. It was not to the mine owners then that such importance was attached as is now. Stop and think when this legislation commenced. What reason was there for it? None, except to increase the wealth of the gold holders and bow submissively to the dictates of England. It is said all the great commercial nations have stopped its coinage, but we were the first, excepting England, that so legislated. Let the country fully understand that the price of silver as compared with gold never had any difficulty until the United States stabbed it.

With great display of supposed statesmanship the query is now

culty until the United States stabled it.

With great display of supposed statesmanship the query is now put, Would you make a dollar out of 50 cents? Let me inquire, what is the difference in effect on the people between making 50 cents a debt-paying dollar and making 50 cents of gold purchase what before required a dollar? You refuse to legislate silver up, but every hour of the day, by every means you can, you legislate gold

up. It has gone to a premium, not only in purchasing power, but in actual selling price. Your boasted parity has been destroyed. in actual selling price. Your boasted parity has been destroyed, and the whole country is suffering a loss in prices absolutely shocking.

Again, it is said if you open the mints to silver it will drive out the gold and you will be on a silver standard. If the mints were put in full operation they could not coin in a year 50 cents per capita. Would an increase of 50 cents per capita in our circulation drive out our gold? Would any man contend that even 50 cents per capita of bank issue would inflate the currency? Does not our population increase heavily every year, and does not the not our population increase heavily every year, and does not the demand for more money increase as industry and population increase? Is it not proposed and recommended that the banks be permitted to take out circulation to the par value of their bonds?

Is not that for the very reason that more circulation is needed?

Suppose we assume that free silver will drive out gold. I ask in candor if gold is not already driven out of circulation? The last loan showed biddings of five hundred millions, it was claimed, for one hundred millions of bonds. Who had the gold, and what had een doing? It was locked up and absolutely out of circulation, and never showed its head in business enterprises that employ labor, but rises in its might when the Government, to obtain it, pledges but rises in its might when the Government, to obtain it, pledges its taxing power as security for it. It is just as certain to hide again and sleep until invited out by the offer of bonds—gold interest-bearing bonds, and in effect gold bonds, interest and principal. Can any intelligent man expect business will revive, when the standard money of the country absolutely shrinks from productive industries? If free silver drives out gold, pray tell me how it is when our mints are closed to silver and were confect. how it is, when our mints are closed to silver, and you confess you are on a gold basis, that your gold not only refuses to circu-late but is absolutely driven out of the country? We can not We can not with accuracy tell how much gold is in our country, but we do know that in about three years we have lost over one hundred and sixty-two millions. As our gold leaves us we increase the demand for it. Did our silver money drive out of the country this mand for it. anyone dare answer yes?

anyone dare answer yes?

If this system continues, it is only a question of time when we will be destitute of gold and the premium beyond our knowledge. In every speech of the gold-standard men—sound-money men—the scare is held up that we will go to a silver basis. So the President argues. For the sake of this argument, let us assume that such a result will follow. Will this destroy this country or its propriet? Gold you say will go to a premium and leave the country. perity? Gold, you say, will go to a premium and leave the country. It is at an enormous premium now, and leaving the country every day to find itself locked up in the war chests of European and other powers. Is it to be supposed that a man will seize his gold and fly from the country with it because we freely coin silver? What will he do with it when it reaches its place of safety? Invest it or lock it up? If he invest it, he will do so for profit. Can

vest it or lock it up? If he invest it, he will do so for profit. Can he not invest here much better than abroad? Where is the inducement to carry it away? If he locks it up, silver will take its place. Demand for silver increases, its purchasing power increases, until the two metals substantially reach a level. Both metals then become circulating money. If one rises in value over the other, readily the other takes its place, and the equilibrium is restored. In our business transactions 95 per cent is in our own borders. Shall this home interest be ruined to satisfy the avarice and gold love of only 5 per cent of foreign transactions?

Our opponents point to Mexico as a silver country and warn us of our fate. At the same time they say a dollar in silver coined

of our fate. At the same time they say a dollar in silver coined at our mints is worth more than a Mexican dollar with more silver than ours. If silver destroys our manhood, energy, and enterprise, then I suppose you mean gold will elevate us. Decide for prise, then I suppose you mean gold will elevate us. Decide for yourself as to manhood between silver Mexico and gold Egypt; decide between gold Turkey and silver Japan. Money does not make the man.

Another statement is made that if we open our mints to silver that our country becomes the dumping ground of all the silver in the world. Now, this assumes almost unlimited power in this country to absorb all the silver in the world. But how fallacious country to absorb all the silver in the world. But how fallacious is such a position. Where will the silver come from, and why will it come? You answer, Mexico will rush her silver to our mints. If you mean her coined legal-tender silver dollars, then I ask what will be her legal-tender money? Will she adopt our American dollar as her legal tender? If so, that would wonder fully increase the demand for our silver dollar. If you mean she would coin her silver into our dollars and not make them her legal tenders, then what will Mexico have as a legal tender? If you mean she would coin her silver into our dollars, depriving herealt of her standard of money and leave such dollars with

ing herself of her standard of money, and leave such dollars with us—certainly you do not mean that after she has her silver coined into American dollars the holder will make some American a present of them, when the same silver can be coined in Mexico into legal-tender dollars. But if you mean the silver will be left here in investments, in the purchase of our products and commodities, this could be no misfortune, but a blessing. The American would know the value of his property, and no purchase could be made without his consent. He would be governed by the price of his commodities the world over. If the price offered in our silver would purchase more here than anywhere else, immediately the cilvery price of commodities and the cilvery price of our silver would purchase more here than anywhere east, limited diately the silver price of commodities would advance at other places and increase the demand for silver, bringing about the equilibrium of both metals. The very idea that silver would flow to this country and remain here presupposes that it would be

worth more here in purchasing power than at home.

One more thought as to dumping silver here. Would an American dollar coined at the ratio of 16 to 1 bring French silver here, which is coined at 15½ to 1, and is equivalent to gold in France? If so, then the French silver, although the ratio is larger here than there, when coined here must be worth more than it is in the country of the results of a 50-cent dollar. Would than there, when comed here must be worth more than it is in France. This destroys again the idea of a 50-cent dollar. Would the silver of Japan be dumped here? She has her silver as her standard money; about \$3 per capita circulation. If brought here it would be because it would be worth more here—it would purchase more than in Japan. If so, then her silver would advance in price in Japan equal to what it would be worth here, less cost of transportation. So the argument controlled the conductors of transportation. So the argument contradicts the conclusion of cheap flat money. But does anyone think Japan would destroy her money system for a freak?

If these premises are correct, where is the force of the argument

that the United States can not proceed alone?

Mr. Speaker, may I not inquire when shall we be stronger?

How long until we shall bend the knee again to England? What a humiliating condition we are in. In this House speech after speech is made to prove that we must have the approval of England to make a financial policy for these United States. her to assent, she declines, and holds the purse strings of this country. In a patriotic outburst we are ready to declare war against her on an American doctrine, and while these bugle notes against her on an American toethine, and white tasse begie hotes of combat are sounding over our land, and great military chiefs are tendering their services, the Treasurer of the United States is on his knees borrowing English gold. Truly to an English statesman our position is one of weakness and humiliation, and

to an American sorrowful.

Two hundred millions of our products at gold prices, or, rather, two hundred millions' worth of American labor at gold prices, must be given to foreigners every year to pay their interest. Foreigners own our railroads, mills, breweries, and millions of acres of American lands; their interest, dividends, and profits must be paid in gold, and these incomes clear of taxation. Yet America confesses she is too weak to have a financial system of her own. How long, oh, how long shall England dominate our financial

policy and in this dominate our Government?

Will you before you declare war against England stop and negotiate to get her gold to fight her with? She holds our purse, and the idea of war was really never a serious matter. England is succeeding better with us without war. She is making our labor tributary to her wealth. She is taking charge of our carrying trade. If our Republican friends are to be trusted, she is destroying our manufactures, and doles us out money at her own price How long shall we wait? How long hold down the heads of Americans, when as such we twice defeated her and brought her to terms regardless of a gold standard? Every war of the United States has been fought with silver and gold as our standard money. The soldier suppressing the Indian, the soldier defeating the Mexican, and the Union soldier offered his life for his country and rejoiced when he even heart of a silver dellar. The Confederate displayed and the Union soldier offered his life for his country and rejoiced when he even heard of a silver dollar. The Confederate displayed gallantry and devotion, if ever equaled has never been excelled, and received his pay in a scrap of half-made paper, and so badly printed could hardly be read. But now gold, the coward in war and usurer in peace, is attempting to convert the American people to the idea that I, gold, am supreme, and you can not dethrone me until my great supporter and protector, England, shall say so. This she will never do.

Again, it is said that it is true depression is all over the country. Manufacturers are idle, labor is unemployed, and the great agricultural interest is prostrate. This is conceded. But gold says the reason is, we through improved machinery have destroyed the de-

reason is, we through improved machinery have destroyed the demand for physical labor and are producing too much. If it is true that our great inventions are making paupers, filling our prisons, and spreading want, every machine of that kind is a curse. If it is true we are making too much, and therefore getting no price for our productions, it would be wise to offer a premium on laxiness

and inflict a punishment on industry

and inflict a punishment on industry.

Mr. Speaker, the great trouble on this line of thought does not lie in overproductions. There can not be an overproduction that will injure the people as a whole; it lies in the fact that the means to procure the articles needed is destroyed and underconsumption follows. Let me illustrate this with one fact. When wheat was \$1.25 per bushel and we had approximately a full circulating medium, each inhabitant of this country consumed about 5 bushels of wheat. When you got to your sound-money idea, with wheat at 60 cents per bushel, consumption per capita fell to about

3 bushels per capita. The farmer sold to his neighbor \$6.25 worth of wheat, on a good free circulating medium, and when the gold power took control he sold \$1.80 worth. I repeat, you have stroyed the means to obtain, therefore can not consume

Our tramps can not consume in amounts as much as when employed. Unemployed labor has no choice as to its wants; it has to take what it can get, and with the decline in prices, every man, farmer, mechanic, or anyone with moderate means, in the last four years, I have no doubt, has reduced his consumption of arti-

cles he had to purchase at least one-third.

It is also asserted by the advocates of the gold standard that our laborers receive more pay and in money of more purchasing power than any laborers on earth. If it were true that the labor of the country was better paid, and that our labor was employed, then there could be no such conditions of adversity as now surround us. Prosperity always follows industry and employment where just compensation is received for labor. No nation can be in peril from internal causes when everyone has plenty to do and is fairly paid for it. That is prosperity itself. But the position assumed leaves out of sight the unemployed. It does not take into consideration that laboring days are shortened by law, so as to divide the labor. It does not consider the organizations for the benefit of labor that are continually fighting against conditions for its own protection. I repeat that if labor could all be employed and properly paid, no greater blessing could be bestowed on a nation.

I have as hurriedly as possible passed over these matters, and have given my sincere conviction on the same, leaving out many points to save time. But one more point of the single-standard devotees do I desire to advert to. They assume the very ambiguous name of sound-money men, and are all full of what they term good faith in business and sound morals in contracts. They assume to say that if a contract is discharged in silver after free coinage is established that it is in the nature of repudiation.

You are again in a dilemma. Are not the contracts of our citizens dischargeable in silver? Is not a silver dollar a perfect legal zens dischargeable in silver? Is not a silver dollar a perfect legal tender? Does not the debtor have the full right to pay in silver, gold, or greenbacks? Certainly. How is it with the Government, the great debtor of all the people? No liberty is given it to select its money in which to pay. By law you lock up its mints to silver; by law you make greenbacks a legal tender between citizens. But the Government stands dumb before all its creditors and submissively yields to their demands and pays in borrowed gold. Will any "sound-money" man tell me why a silver dollar is good enough for all purposes between man and man in business and is not equally good between the Government and its creditors? If you answer it is, then tell me why you object to coining 56,000,000 silver dollars lying dead in bullion belonging to the Government and use it in paying expenses in place of increasing taxation ment and use it in paying expenses in place of increasing taxation or borrowing.

Let us put this question of good faith and honesty, so-called by gold men, to pay our debts in gold so every man can understand it. There is not a note or bond of the Government that provides on its face or in its promise to pay gold. Every promise is to pay in coin, with no guaranty in any law that one dollar of these obligations should be paid in anything but coin. Congress by an over-whelming vote refused the power to the President or Treasurer to issue a gold bond. Why, then, by construction, in open opposition to the will of the people, expressed through their representatives, make them gold bonds? Do you expect to preserve a parity between the metals by a nonuser of one? There can be no parity with but one standard. Parity is between two or more, not with one. Yet by construction the contracts are changed against the people, and the difficulty in paying is doubled. Is this good morals? Does not the very highest public faith exist in the servants of the people being loyal to them? Do you think you have brought about a great blessing to this country in doubling their liability and doubling their taxes? Is it true that high morals demand that a debtor, to be honest, shall pay twice as much as he promised?

Then truly is taxation a blessing and confiscation a paradise.

But it is insisted that the now-existing debts were contracted on

a gold basis. One moment's reflection dispels this. Every dollar of the debt of Tennessee was contracted to be paid in gold or silver. Untold millions of debts are the growth of debts contracted on that basis, and by this most oppressive and unjust system the labor to discharge these debts is doubled. Does that not take away one-half of labor for the creditor, with no compensation to him? Does not that deprive labor of half its value and cut it off from the privileges of making life more comfortable and stimulating indus-

tries? Is this what you mean by high morals and public good faith?

Mr. Speaker, let me inquire if expenses of Government have been reduced in proportion to the high value of the money? Have regular incomes and interest been reduced? Has business been stimulated? These questions are answered in one word, no, and no man can deny it.

In conclusion, let me say with this system of finance the Government has left the constitutional requirements. In doing so it has transferred to the money power of the world one of its greatest

functions of government. It surrenders its great power, in fact. of coining money and regulating the value thereof to the gold gamblers to regulate its value. They demand the greatest amount of labor for their gold, and the Government is powerless to arrest their avarice. They demand gold from the Government at will, and this great country of ours, ready for war on any proper cause, willing to contend with the world for the right, when approached by these shylocks, bows its head and with humility says, "Thy

will I will obey."

Democratic friends, look at our condition. Just a short time ago the people said to us, "We will try you"; and they filled this House to overflowing with professed Democrats. We met here, wrangled, and adjourned. We appealed for support again, and it was like talking to stones. We had substantially left them where we found them. They answered back no. We try something clse, and we hardly have enough to call a quorum. The same is true of the Republican party. You think now you have an unlimited lease of power. Let me say to you you have had our experience. You are walking on thin ice. You will do nothing this session. The ball of taxation will roll on. Bond after bond will be issued, and the gold hoarders of the world will ent out our subsistence. These convulsions in politics show as much against one sistence. These convulsions in politics show as much against one party as the other. Discontent, stagnation in business, fear of investments, premiums on the only standard money, broken pledges, and fear will again bring about their results.

The Democratic party was invincible until it destroyed itself. It has not been your Republican legislation and statesmanship that have brought you here in such great ascendency. It is because of our departure from our immortal principles. The Consticause of our departure from our immortal principles. The Constitution has been violated, our policy of over a half century abandoned, and in this we have abandoned our great and impregnable fortress. Our friends once were the farmer in the field, the mechanic at his beach, the hired labor in all the pursuits of life. These were our friends. We carefully watched and fostered their prosperity. This being done, the merchant, the banker, and carrier received reasonable compensation for their efforts. No tramps in-fested the country, and such a scene of prosperity and success was never seen on earth. Now it is the rich gold holders we are run-ming—rather they are running us. Even foreign gold lenders are con-sulted. They are provided with opportunities to make more wealth. The taxing power of the Government is mortgaged to them.

Gold, the unconstitutional and undemocratic standard, is doubled in value, and the old friends and champions of Democracy are left to do the best they can under such oppression. We left our friends and they are not to blame. Let us again return to the doctrine of our fathers. Let us make industry and labor the great objects of our creed, and stay with that unselfish, honest, plain, industri-ous people, and our party will again be invincible. [Applause.]

Cuba.

REMARKS

HON. JAMES R. HOWE.

OF NEW YORK.

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

Monday, March 2, 1896.

The House having under consideration the following resolution:

"Resolved by the House of Representatives (the Senate concurring), That, in the opinion of Congress, a state of public war exists in Cuba, the parties to which are entitled to belligerent rights, and the United States should observe a strict neutrality between the belligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and the extent of the commerce between the two peoples, the present war is entailing such losses upon the people of the United States should be prepared to protect the legitimate interests of sur citizens, by intervention if necessary "—

Mr. HOWE said:

Mr. HOWE said:

Mr. Speaker: Subjugation or annihilation is the decree that has gone forth from Spain to Cuba. The spirit of liberty is to be strangled in the interest of tyranny, and the question for us to consider is, Shall this decree of slavery or annihilation prevail? The heroic Cubans await our answer. Let us reply with emasis, that it shall not be while the spirit of the men who founded this Government continues.

Mr. Speaker, war at all times is to be lamented, and the way to put an end to this struggle is to accord belligerent rights to the Cubans. The century now closing has been spattered with blood and full of heroic struggles for justice in Cuba. Once we recog-

nize and accord them the rights of belligerents, we will have accomplished at a single stroke that which they have been unable to obtain through three hundred years of slavery. Statistics show that \$25,000,000 is exacted in a single year as sweat money on the part of Spain from Cuba, 75 per cent of which has gone to

sustain purple royalty.

Mr. Speaker, had I a thousand votes, I would cast them all in favor of this struggling people. I would be untrue to the promptings of my nature did I do less, for theirs is the same spirit that ings or my nature and I do less, for theirs is the same spirit that animated and nerved the men of the Revolution, from whose giant strokes went forth a spark that has set the world aglow with the light of human liberty, and its radiance has encompassed Cuba with a burning flame that will not be extinct until tyranny lies strangled at its feet and the Gem of the Antilles shines forth brilliant and glorious in freedom's light.

Mr. Speaker, we may well look upon the Cuban struggle with anxiety and fear lest the iron heel of tyranny crush to the death the spirit that animated them and postpone to some distant day

the spirit that animated them and postpone to some distant day the time when Cuba shall be free.

Mr. Speaker, we are making history to-day. Shall it be on the lines of progress, on the lines of the elevation of mankind and in the spirit of liberty, or shall we go back to the dark-lantern methods of the Middle Ages? Ah, no; it can not be, for it would be contrary to the spirit of the age in which we live. A nation that has liberated 4,000,000 slaves from bondage must not, will not, take

the side of the despot by inactivity, nor stand idly by and witness this inhuman and burbarous warfare.

Mr. Speaker, we would not interfere with the sovereign rights of Spain; but, sir, this is not a riot, it is a revolution on the part of a long-suffering and brave people, a people whose wrongs are of the same character as were those of the men of 1776. Shall they be subjugated or annihilated and America fail to exercise a they be subjugated or annihilated and America fail to exercise a lively interest in their behalf? We are unworthy of the privileges which we enjoy if we fail to heed the cry that comes to us from the Island of Cuba. Captain-General Weyler would reemact in Cuba the barbarous and fiendish atrocities that have been committed by the Turks in Armenia. Is it not our duty to put a quietus on this inhuman butchery at once? It can not be possible that 70,000,000 freemen will allow these struggling patriots to be slaughtered, as have been the Armenians, without giving them recognition. This beautiful island, Nature's paradise, should not longer be blighted by the despotic hand of tyranny.

Shall chains and scourge and strangler's noose,
Rapine and outrage grim, await
Their bloody and accustomed use
For those given o'er to Spain by fate?
Nay: by the bones of James Moarce,
And by a million freemen slain,
Speak out, and let the whole world know
Columbia guards the Western main.

Let us give notice to Spain that from this day belligerent rights
are accorded to these heroic defenders of the God-given right to
covern themselves and as sum as the span rises on the coming

govern themselves, and as sure as the sun rises on the coming morrow Cuba will be free.

Against the Recognition of Belligerent Rights in Cuba under Present Conditions.

SPEECH

HON. WILLIAM F. DRAPER.

OF MASSACHUSETTS.

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 9, 1896.

Monday, March 3, 1896.

The House having under consideration the following resolutions:

"Resolved by the House of Representatives (the Senate concurring), That, in the opinion of Congress, a state of public war exists in Cuba, the parties to which are entitled to belligerent rights, and the United Statesshould observe a strict neutrality between the belligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

"Resolved, That the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples, the present war is entailing such losses upon he people of the United States that Congress is of opinion that the Government of the United States should be prepared to protect the legitimate interests of Americans, by intervention if necessary".

Mr. DRAPER said:

Americans, by intervention if necessary"—
Mr. DRAPER said:
Mr. SPEAKER: I know that only a small minority of the Foreign
Affairs Committee agree with my views, and I presume that the
same is true of the House to-day. There is, therefore, a greater
necessity than usual why I should state the reasons which have
caused me to differ with my colleagues of the committee.
This is a question of serious import and not simply an oppor-

tunity to make sympathetic or spread-eagle speeches without re-sponsibility. It seems to me that we are in danger of yielding to a popular clamor that will not be sustained by the sober second thought of this nation.

In considering these resolutions we should remember that we are officials of the United States Government, bound by our oaths of office to consider American interests, and that no mere desire for the success of the one party or the other in Cuba should lead us to disregard them.

We may subdivide our national interests in this matter into the eneral interest and the personal interests of American citizens

Taking up the general interest as the most important, we have the statement of Senator Morgan, of the Senate Foreign Relations Committee, who, in introducing similar resolutions a few days since, said that he believed their adoption meant war with Spain. He said (I quote from page 2231 of the Congressional Record of February 20, 1896):

of February 20, 1896):

When the petitions had to be considered and had to be reported adversely, with a request that we might be discharged from their further consideration, or else we had to take the other side of the question and find that we could and should pass a resolution in some form recognizing belligerency in Cuba. I said to the Committee on Foreign Relations, "I contemplate war at the end of any resolution that we pass in that direction." * * I therefore accepted the situation whenever I took a step in that direction—it made no difference how long or how short it was—that it would ultimately result in war.

He also said (page 2232):

He also said (page 2232):
Therefore I hope the Senator from Maine will understand that in all I have done about this Cutan imbroglio I have acted with great reluctance. I have acted with the reluctance of a man who, with his associates, is compelled to take a very important position, what under ordinary circumstances might be called a very hazardous position, in the contemplation of actual war, without giving any just cause of offense to Spain. I have acted in full view of the fact that at the beginning of this controversy it was our business to discount the future, and to draw our sword and lay it upon the table and say to Spain, "If you want to take it, take it up."

Now, we may not agree with the distinguished Senator in full, but there is no doubt that these resolutions carry with them the danger of war, and no doubt that the gentlemen who have brought the special pressure upon us to take this step sincerely hope that it will be the first step toward our taking active part against Spain in Cuba and elsewhere.

in Cuba and elsewhere.

Already we begin to hear from the organs and sympathizers of the Cuban Junta complaints that our Government is enforcing its own laws in interfering with the fitting out within our territory of hostile expeditions against a friendly power. They will not be satisfied with neutrality, which is what a declaration of belligerent rights is supposed to mean. They want us to intervene in favor of the Cuban insurgents, who have little chance of success without our intervention.

Are we ready for this? Do we want war, or the chance of war.

for any such object?

No one avows the intention of conquering Cuba and annexing it to the United States, so I will not discuss that proposition; but outside of that possibility have we not everything to lose and

outside of that possibility have we not everything to lose and nothing to gain by the proposed action?

If war comes we should doubtless succeed as we did in Mexico, as we are stronger than Spain; but are we ready to increase our debt, to disturb or derange our finances, now on none too secure a basis, and to slaughter thousands or tens of thousands of our own citizens for any interest that we have in this controversy? I am not, for one, and I believe that the sound sense of the American receipts is with me. can people is with me.

there I will digress a little from my general line of thought to call the attention of our sound-money men to the danger of our action.

We spend months of time and fill the Congressional Record

with speeches detailing the troubles which a depreciated currency would bring upon us, and yet we rush through without debate—as my friend McCall says, with the speed of a lynching party—resolutions which, in the view of eminent men like Senator Morgan, would bring these troubles upon us.

Does shade doubt that in case of war with Spain cold would

Does anyone doubt that in case of war with Spain gold would go to a premium at once? We are borrowing largely in time of peace. Our revenue is less than our expenditure. We have a powerful body of Senators who will not agree to an increase of

revenue without adding to it the free coinage of silver.

The financial road is difficult enough at the best. What will be the result if we impose upon ourselves the burden of hundreds of millions of dollars in addition for military operations and coast

This seems to me a time for considering these practical que

This seems to me a time for considering these practical questions, rather than for being carried away by sentiment, and by sentiment, too, largely manufactured for the occasion.

Returning to my argument: On the second point, American citizens own nearly or quite \$30,000,000 worth of property in Cuba—mostly in sugar plantations and mines. Some of this has already been destroyed by the insurgents (none by the Spaniards), and all the rest is only preserved from destruction by the presence of Spanish guards. Under present circumstances it is for the interest of Spain to protect this property, as she is responsible to the owners and the United States for payment if damage is done.

Acknowledge belligerency and under international law this re-sponsibility ceases, and with the guards removed it is easy to foree the results. If we are to move at all, instead of thus abandoning our countrymen we ought to take some additional measures to protect them.

Coming, now, to the reasons urged for action, I notice that not one is based on American interests; all are on grounds of sympathy for a struggling people who are alleged to be endeavoring to establish a republic. Without saying (what I believe) that the success of the insurgents would mean anarchy rather than republican government, what real good will these resolutions do the resolutions to

but many people want what is not good for them.

To grant belligerency gives no assistance. Strict neutrality goes with it, and the American Government will be just as much bound to enforce neutrality with these resolutions passed as it is More than this, an acknowledgment of belligerency by us gives to Spain the right to search our vessels for articles contra-band of war, a right that she does not now possess, and that would operate directly against the insurgents' interest as well as make great opportunities for irritation between Spain and the United States. As stated before, this latter point is probably the real reason why the Cuban Junta and their active sympathizers desire us to take this action.

They hope for some occasion of trouble between Spain and our-selves on account of the exercise of this right of search, and that thus we may become active participants in the hostilities, as I

have before stated.

It is said that we ought to interfere in this contest because of the cruel manner in which the war has been carried on on the part of the Spaniards. Now, war is cruel, but so far as I can learn from the official correspondence submitted to us there is more evidence of cruelty and destruction of property on the part of the

insurgents than by the Spanish forces.

Witness the case of the planter Iglesias, who was taken from his bed by an insurgent band and hanged because he was grinding

cane on his plantation.

Witness the letter of Gomez on page 30 of the official correspondence, where he says:

with respect to myself as director of the war, I consider that the first thing to do is to root out every hindrance, however small it may appear, to the progress of the revolution, without heeding either much or little the judgment that may be formed of such measures by those who live in ease and repose under the shade of the Gevernment we combat. For such can not be considered as our friends, and neither by the state of their spirits can they be competent to judge our acts.

Tonot let provisions enter that city (Puerto Principe); because the persons, families, rich or poor, may suffer is no fault of the revolutionists, it is the fault of Spain, who deprives the Cuban of his rights. * * * Men who face death on the battlefield can not occupy themselves about the scarcity of milk and fuel in that city.

The orders are given, and f, who signed them with the pen, will make them effective with the sword. Tell that and much more, Doctor, to your friends, who must also be mine.

Yours,

M. GOMEZ.

Witness the general conduct of the so-called war, which seems to consist on the part of the revolutionists in destroying the prop-

to consist on the part of the revolutionists in destroying the property of noncombatants and showing their backs when any considerable detachment of Spanish troops appears. When they take a town they first plunder the stores; then burn the houses; and meantime they amuse themselves by destroying the resources of the island—the sugar plantations and tobacco factories—when they are not under Spanish guard.

This is not the kind of warfare that, if successful, will lead to order under liberty; and it is not worth our while to interfere to make Cuba a second San Domingo.

I am well aware that our action is not final—that the President

I am well aware that our action is not final-that the President has full power in this matter whatever resolutions we may pass. I hope that he may be more conservative than we seem to be, but whether he acts on our recommendation or not, it is our duty to

whether he acts on our recommendation and the state of responsibility.

act with a full sense of responsibility.

It is said that belligerency is and not before. One point more and I will close. It is said that belligerency is a matter of fact to be recognized when it exists, and not before. Now, while there is undoubtedly fighting in Cuba, the insurgents have not established themselves so as to warrant recognition under the ordinary rules. They fight, destroy property, and plunder, but they have not an established government in any They have no courts, no seat of government exproper sense. cept in the saddle, no seaports, no regular system of taxation, no protection of life and property; but the reverse.

A quotation from the message of President Grant, considering

this same question with relation to the Cuban insurrection of 1869, is most pertinent to-day. He said:

During the whole centest the remarkable exhibition has been made of large numbers of Cubans escaping from the island and avoiding the risks of war, congregating in this country at a safe distance from the scene of danger, and endeavoring to make war from our abores, to urge our people into the fight which they avoid, and to embroil this Government in complications and possible hostilities with Spain. It can scarce be doubted that this last result is the real object of these parties, although carefully covered under the deceptive and apparently plausible demand for a mere recognition of belligerency.

The question of belligerency is one of fact not to be decided by sympathics

for or prejudices against either party. The relations between the parent state and the insurgents must amount, in fact, to war in the sense of international law. Fighting, though fierce and protracted, does not alone constitute war. There must be military forces acting in accordance with the rules and customs of war, flags of truce, cartels, exchange of prisoners, etc.; and to justify a recognition of beligerency there must be, above all, a de facto political organization of the insurgents sufficient in character and resources to constitute it if left to itself a state among nations capable of discharging the duties of a state, and of meeting the just responsibilities it may incur as such toward other powers in the discharge of its national duties.

Applying the best information which I have been enabled to gather, whether from official or unofficial sources, including the very exaggerated statements which each party gives to all that may prejudice the opposite or give credit to its own side of the question, I am unable to see in the present condition of the context in Cuba those elements which are requisite to constitute war in the sense of international law.

The insurgents hold no town or city; have no established seat of government; they have no prize courts; no organization for the receiving and collecting of revenue; no seaport to which a prize may be carried or through which access can be had by a foreign power to the limited interior territory and mountain fastnesses which they occupy. The existence of a legislature representing any popular constituency is more than doubtful.

In the uncertainty that hangs around the entire insurrection there is no palpable evidence of an election, of any delegated authority, or of any government outside the limits of the camps occupied from day to day by the roving companies of insurgent troops. There is no commerce; no trade, either internal or foreign; no manufactures.

As a consequence of these facts, he declined to accord the insur-

As a consequence of these facts, he declined to accord the insurgents belligerent rights.

The same statements and the same arguments apply to-day.

The same statements and the same arguments apply to-day. The insurrection of to-day stands in the same position as that of 1869, with the exception that the property-owning classes largely favored that movement, while they oppose this one.

No other nations have given them this recognition, and nothing but our national sympathy for anything called freedom, and the active pressure of certain gentlemen who, while calling themselves American citizens, are stirring up this trouble in the territory of a friendly power, is behind this strong movement in our Congress. I may not be able to influence the action of the House, but I am so certain that I am right that I desire to be placed on record as opposing these resolutions.

opposing these resolutions.

Against Unrestricted Coinage of Silver.

SPEECH

HON. JAMES T. MCCLEARY,

OF MINNESOTA.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 12, 1896.

The House having under consideration the Senate amendment to the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of

Mr. McCleary of Minnesota said:
Mr. Chairman: It is no derogation of the ability and no disrespect to the personality of any of the very able and eloquent gentlemen who have spoken on the "free-silver" side of this controversy to say that high-water mark was reached on that side of the discussion last Saturday by my distinguished friend and colleague [Mr. Towne]. This has been conceded on all sides. Some have even TOWNEL. This has been conceded on all sides. Some have even gone so far as to say that his speech is the greatest, not only of this session but of any session, that has been made on that side of the question. As a friend of the speaker, I rejoice with him in the honors thus bestowed upon him; and as a citizen of the great North Star State, I am proud of the fact that he is a son of hers of whom these things have been said.

This speech of my colleague has made a profound impression on this few considerable with its classic transitions.

this floor, arousing with its clarion tones the drooping spirits of the free silver cohorts, and causing many a sound money man to pause in doubt. It will be printed in immense quantities and scattered broadcast over the land. And therefore, Mr. Chairman, as a lover of truth and of my country, I deem it to be my duty to expose the fallacies and refute the conclusions of my colleague's argument.

It is proper to say at the outset, Mr. Chairman, that my personal concern in the result of this discussion is simply that of any other citizen of the Republic; we are all greatly interested in securing an early, righteous, and final decision of this question. Nor are my personal fortunes in any special way at hazard. Through two campaigns this has been the leading question in my district; all the arguments now advanced by my colleague have twice been soberly weighed by the good people whom I have the honor to represent. Before my colleague had begun seriously to think on this resent. Before my colleague had begun seriously to think on this question the citizens of the Second Minnesota district had, with their characteristic foresight and intelligence, given it full, frank, and thorough consideration, and had twice, I am proud to say, rendered their verdict by increasing majorities in favor of a sound and stable currency.

It is but fair to myself, Mr. Chairman, to say that, in view of

the facts just stated, it had been my purpose to address the House the facts just stated, it had been my purpose to address the House briefly on another and more advanced phase of the money ques-tion. But complying with the urgent requests of some of my friends in the House, who are familiar with the fact that we have thought this question out pretty thoroughly in the Second Minne-sota district, I have concluded (although the time for preparation has been very short) to make the speech of my colleague the basis of part of my remarks.

THE BLIND MEN OF INDOSTAN.

In this connection, Mr. Chairman, I am reminded of the poem of that wittiest and wisest, that keenest and kindest of men, John G. Saxe, a poem that we all read in our boyhood, entitled "The Six Blind Men of Indostan," who "went to see the elephant, though all of them were blind." Their curiosity had been aroused in relation to the famous animal, and each was anxious to learn what it was "like." In groping around, one grasped its tail and thought the elephant "like a rope"; the next embraced its giant leg, and thought it "like a tree"; another seized its writhing trunk, and thought it "like a snake"; and each of the others happening to come in touch with a different part of the elephant's anatomy, had a different idea of the animal's appearance. And over those differences, the poet tells us,

They argued loud and long;

They argued loud and long; Each being partly in the right, Though all of them were wron

To us who are blessed with eyesight their petty contentions seem almost pitiable. It is easy for us to see where their differences arose. No doubt each was sincere in his opinion and each was in possession of a portion of the truth. Had each been modest enough to realize his own narrowness of information and earnest enough to push his investigations as far as possible before venturing an opinion, the contention would have been less and the conception of

truth on the part of each would have been much greater.

Had one of these blind men examined not only the tail, but also one or more of the other parts of the elephant, no one will deny that his opinion as to the appearance of the animal would have been more nearly correct than that of any of the others. And similarly in this discussion, the value of a man's opinion depends upon the breadth of his view and his ability to see things in their

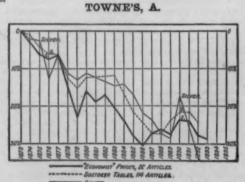
apon the breadth of his view and his ability to see things in their proper relations and proportions.

If I were called upon to characterize in a sentence the speech of my colleague, I should say that it lacks comprehensive grasp of the several topics considered. It offers a superficial view of many things, but does not indicate thorough study of any. We are given a little (and sometimes very little) of the truth on many points, but not enough of the truth on any of them to warrant one points, but not enough or the truth on any of them to warrant one in drawing important conclusions. To carry out the figure of the poet, we are asked to judge of the appearance of an elephant by grasping its tail; to form our conception of a camel by seizing its leg; and so on through the menagerie. And in lieu of further information on any point, we are regaled by having a flower of rhetoric held beneath our nose, under the soothing influence of whose fragrance we temporarily forget that we are long on fancy and short on fact.

By the courtesy of my colleague, Iam permitted to use this afternoon some of the charts used by him in his speech last Saturday. And I shall show that his fundamental positions are based on halftruths, which everyone knows are more dangerous and misleading than utter falsehoods.

SILVER AND PRICES.

now ask the attention of the committee to my colleague's chart which shows the relation in price between silver and other commodities.



By means of this chart he endeavored to show three things:
1. That, beginning with 1873, there has been an "unexampled and ruinous fall" in the prices of commodities.

2. That there has been during the same years a practically parallel fall in the price of silver; and that silver is, therefore, an almost ideal measure of value.

3. That this "fall in prices" has been the result of the so-called

"demonetization" of silver; and, by inference, that "remonetization" of silver would "restore prices" to their former level, or

As we look upon the chart, our first impulse is to say that, unless its allegations are untrue, the inferences of my colleague are fully established. But when we look farther into the matter, we shall find that such a conclusion is wholly unwarranted. We may admit that there has been within the last twenty years a fall in the average price of commodities (the extent of which is, however, exaggerated to the eye by the method of drawing the chart); and we could admit that there has been during the same period a fall in the price of silver roughly parallel thereto. Indeed, I do admit (with an exception to be noted later) the substantial correctness of these two allegations; for my colleague would not knowingly make any statement of fact without having what he conceived to be good ground for doing so. The errors of my friend all arise from the fact that he is drawing important conclusions from premises that are too meager; he is trying to get an idea of the elephant by examining its tail only.

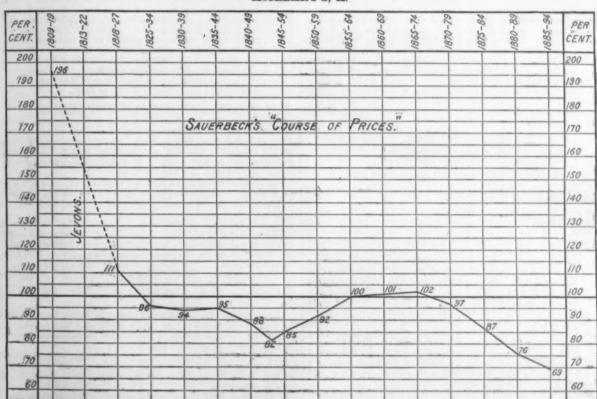
all arise from the fact that he is drawing important conclusions from premises that are too meager; he is trying to get an idea of the elephant by examining its tail only.

The trouble with my colleague is one that is common to the whole tribe of free-silver men: the year 1873 is to them what the year of the hegira is to the Mohammedan, it is the point of time from which everything is reckoned. But no legitimate inference can be drawn in relation to these matters without examining also the course of events before 1873, and making a fair comparison of the two series of facts. If upon making such examination we find that there was never during the period of so-called "bi-

metallism" a marked fall in prices, and if we find also that the price of silver kept even pace with the average price of commodities before as well as after 1873, then indeed would candor compel the admission that the gentleman's inferences are well founded. But if, on the other hand, such investigation reveals a fall in prices during the so-called "bimetallic" period as great as that since 1873; and if the rough parallelism between the price of silver and that of commodities in general did not exist before 1873, then will frankness force my colleague to confess that his inferences are not tenable, and that in common honesty they must be abandoned.

The chart to which I now invite the attention of the committee is one that I drew since the speech of my colleague was delivered. It shows the course of average prices by ten-year periods from 1818-97 to 1885-94, inclusive. The table from which it was drawn was prepared by Augustus Sauerbeck, one of the authorities quoted by my friend in another part of his speech. Indeed, in the first rehearsal of this speech, as delivered by him in Duluth last August, and afterwards in other places, the gentleman printed this table. But by a singular oversight he did not put it into chart form. This was a very unfortunate omission. For had my friend appreciated the great importance of those figures; had he given them enough study to become impressed with their real significance, and had he then put them into chart form and placed the chart in juxtaposition with the one considered by us a moment ago, he would have saved himself and his readers from grievous

McCLEARY'S, A.



Mr. Sauerbeck's standard of comparison, or 100 per cent line (represented on the chart by the horizontal line A—A), is "the average prices in London of forty-five principal commodities for the period 1867-77"; that is, for a ten-year period having 1873 as its middle point.

THE GREAT PALL IN PRICES FROM 1809 TO 1840

Even the most casual examination of the chart will reveal three facts which are exceedingly important in this discussion, namely:

1. That in the period extending from 1818-27 to 1843-52, twenty-five years, the fall in average prices was practically the same as that which has taken place since 1873. And had the table extended back ten years further the former fall would be seen to have been much the greater, for prices ranged much higher for some years before 1818 than in that year. A glance at the chart will substantiate this statement, for the price line in 1818 shows that it marks, not the beginning of a fall, but one which had been for some time in progress.

In further substantiation of the foregoing statement, and as my authority for the course of prices before 1818 (as shown by the dotted line), I quote one of the most scientific and impartial writers on money, one whose authority on matters of fact is unquestioned, the late Walter Stanley Jevons, author of Money and the Mechanism of Exchange. Discussing the varying value of money as related to goods, he says:

Between 1789 and 1809 it fell in the ratio of 100 to 54, or 46 per cent-

That is, Mr. Chairman, the average prices of commodities rose enormously during those years. The committee will kindly note this fact, as I shall revert to it in another connection. But for the present I desire special attention to the succeeding statement of Mr. Jevons:

From 1809 to 1849 it [the value of money] rose again in the extraordinary ratio of 100 to 240, or by 140 per cent.

That is, Mr. Chairman, there was an "extraordinary" fall in

prices-a fall at the ratio of 240 to 100-a fall which in extent and

duration far exceeds that since 1873.

Thus we see, Mr. Chairman, that our recent fall in prices is by no means "unexampled" in either scope or duration. It was greatly exceeded by the fall in prices near the beginning of the century, during the so-called "bimetallic" period. And thus disappears the chief foundation of my colleague's entire argument and of the whole free silver contention.

THE IMPOTENCE OF SILVER TO AFFECT PRICES.

2. The chart is equally severe on another very touching argument of the free silverites. Silver and its advocates are very symment of the free silverites. Silver and its advocates are very sympathetic, very anxious to ameliorate the sad condition of men; silver is claimed to be able and willing to "restore prices." But it is well worthy of note, Mr. Chairman, that during the long period from 1800 to 1865, a period marked first by a tremendous fall and then by a great rise in prices of commodities, the price of silver varied but slightly. Though silver advocates frequently boast of this uniformity in the price of silver they never put it in connection with this other fact. Thus, it is never revealed by them that during this long period, when allver had "free access to the mints," it held itself aloof from other commodities, impotent alike to prevent their fall or to promote their rise. It seemed in its

mints," it held itself aloof from other commodities, impotent alike to prevent their fall or to promote their rise. It seemed in its palmy days to have none of the spirit of sympathy and helpfulness ascribed to it now by the advocates of free comage.

Mr. Chairman, "we know of no way to judge the future but by the past"; and judging by that past I ask gentlemen what there is in the record of silver when it had "free access to the mint that gives basis for the hope, so often expressed by gentlemen on the other side of this contention, that silver would under free coinage not only rise in value itself, but that in doing so it would "help the friends of its lowly days." Judging it by its past, even if free coinage could perform a miracle and restore silver to its ancient lofty state (on which point I shall speak later), are we not cient lofty state (on which point I shall speak later), are we not warranted in saying that it would then, as in days gone by, sepa-rate itself in proud disdain from the commodities whose company it now professes to keep, and prove itself incompetent if not unwilling, in the future as in the past, to affect in the slightest degree the prices of other commodities? Are not its present humility and willingness to promise "all manner of good things" aptly characterized by Shakespeare in the lines:

Lowliness is young ambition's ladder, Whereto the climber upward turns his face; But when he once attains the upmost round, He then unto the ladder turns his back.

THE RECENT FALL IN PRICES DID NOT BEGIN IN 1873.

3. We note, in the third place, that the recent fall in prices did

not begin in 1873 but in 1865.

When (for reasons varying with the persons from the purest patriotism to the most dangerous demagogy) those who are try-ing to foist upon this country the unlimited coinage of silver as a panacea for all our ills, real and imaginary, seek to establish a panacea for all our lits, real and imaginary, seek to establish their position by statistics of average prices and by giving the prices of certain great commodities like wheat and cotton, why, in the name of candor, do they not go back at least a few years further and show that, in relation to some of the most important items quoted, the fall in prices between 1865 and 1873 double discounted anything in the way of a fall that has taken place since 1873; that it was greater in those eight years than in all the years since? Why for example, don't they remind the cotton places. since? Why, for example, don't they remind the cotton planter that the price of middling cotton fell (Statistical Abstract for 1894, page 408) from \$1.015 a pound in 1864 to less than 17 cents in 1871? Do they not possess adequate information on vital points? Or are they willfully suppressing a portion of the truth, having a lively appreciation of the fact that this simple statement would be sufficient to overturn their entire contention?

be sufficient to overturn their entire contention?

And now, Mr. Chairman, having shown by my colleague's own figures that the fall in prices about which he and other free-silverites say so much is not the only one or even the great one of this century; that it did not begin in 1873, and hence is not due to the cause to which they ascribe it; and that "free silver," having demonstrated in the past its incompetency to affect prices (even if that had been shown to be desirable), can not reasonably be expected to affect them in the future—these things having been proved. Mr. Chairman, our side could fairly rest our case and demand the judgment of all candid men.

But. Mr. Chairman, men are often misled by nonessentials. If

demand the judgment of all candid men.
But, Mr. Chairman, men are often misled by nonessentials. If
the other alleged "arguments" of my colleague were to be passed
by, the reason for silence might be misunderstood. Moreover,
they constitute a part of the ground of my colleague's faith. And,
sir, I have so high a regard for my friend personally, so much
admiration for his native ability, and so bright a hope for the
future that is before him if he renounces what he himself is reported to have called in the last campaign "this free-silver
lunary," that I shall, with the indulgence of the committee, procoed now to examine the other items of my colleague's speech.

THE FALLACY OF THE METHOD OR ARGUMENT BY "AVERAGES."

A favorite device of the gentlemen on the other side of this controversy is to draw conclusions from tables of "average prices."

Most of the rank and file do this in entire good faith, never dreaming of the fallacies that lie unrevealed by the very nature of the method itself. But the leaders (who have the time, and are presumed to have the talent, to investigate all important phases of the question to a finality) owe it to the confidence which their followers repose in them to seek earnestly and report honestly the whole truth, so far as human ken is able to discover it.

The real-estate boomers of a certain State (not Minnesota) used to announce in their circulars to prospective immigrants that the "average annual rainfall" was so many inches—a normal fall. The settler who went there on the strength of that statement found that, while it was literally true, it was totally misleading. The "average annual rainfall" was indeed as stated; but the rain all came in a deluge within the period of a few weeks, and during the rest of the year the country was so dry that the crops parched and perished, and not even a warranty deed would hold the land itself.

hold the land itself.

The very idea of an average implies differences, while at the same time it hides their nature and extent.

In order to get at some of the facts concealed by the so frequently quoted tables of average prices, I invite attention now to a few charts showing graphically the prices year by year of a number of individual articles. Even an analysis into groups of articles. will enable us to avoid some of the errors incident to a general

average table.

These charts have been carefully prepared under my own supervision from the famous tables of Dr. Adolph Soetbeer, the great German statistician, than whom there is no higher authority. By the way, I wonder how many of the free-silver men who so often and so glibly quote statements alleged to be founded on the Soetbeer tables ever even saw those tables. Probably not one in ten thousand! Here are the famous tables themselves [holding up a book]. They are given in the Consular Report for December, 1887. I feel abundantly repaid for the solid month that I spent last summer in careful and painstaking study of them.

WHAT SOETBEER'S TABLES SHOW AS TO CERTAIN IMPORTANT ARTICLES.

These tables are based on the prices of 100 principal articles at Hamburg, and 14 leading articles of British manufacture, and cover the time from 1851 to 1885. The prices are taken from the official records of the city of Hamburg, which Dr. Soetbeer declares to be "material which is complete and trustworthy to a higher degree than any known to us."

The method is by index numbers, taking the average prices of the several articles from 1847 to 1850, as the base or 100 per cent.

Mr. BRUMM. Was not 1847 a year of great financial depres-

sion?

Mr. McCLEARY of Minnesota. No, sir. Myfriendis probably thinking of 1837 or of 1857. Dr. Soetbeer, whose preeminence as a statistician myfriend will not question, and whose tables he has no doubt quoted, chose the years aforesaid as the very best available

The attention of the committee is now invited to my Chart B (see page 3604), showing the prices of wheat and rye, the great food grains of Europe. The average price of all grains is given food grains of Europe.

The standard price, explained above, is represented on this and the succeeding chart by the heavy horizontal line A.—A.

The two special points to which the committee's attention is

The two special points to which the committee's attention is invited in this connection are:

1. The fact that the average price of grain after 1873 (which year is indicated, for the sake of prominence, by the heavy vertical line B—B) never fell as low as the average in the "bimetallic" days of 1847-1850.

2. The fact that the price of silver (which was, as has been said, quite uniform up to 1873) had very plainly no relation to the prices of grain. Any man who in the fifties had insisted that there was any such relation would have been barred from standing among sane and sober-minded people.

Leaving grains, your attention is next invited to the course of

PRICES OF ANIMAL FOODS

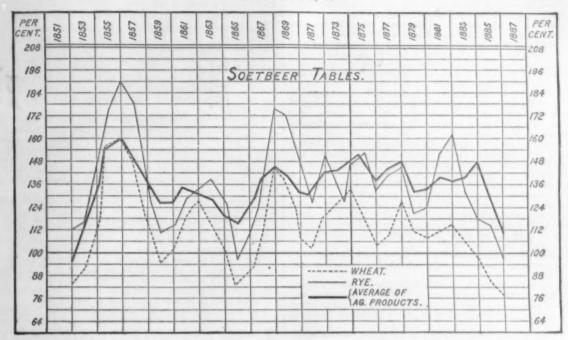
[See McCleary's Chart C, page 239.]

These charts (which exhibit the Soetbeer figures for the chief animal food products individually) show that the price of each fluctuated sharply throughout all these years, each according to the circumstances peculiar to itself; but that never since 1873 did the price of a single one of them fall as low as in the so-called "bimetallic" days at the close of the first half of this century. And it is probably true, as my friend from Iowa whispers, that the butter and egg business of the country outweighs in importance its silver industry.

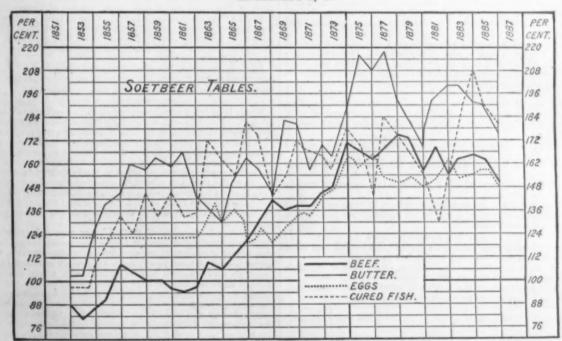
A MEMBER. Did Mr. Towne use these charts?

Mr. McCLEARY of Minnesota. No; these reveal a portion of

McCLEARY'S, R.



McCLEARY'S, C.



the elephant which, so far as the record shows, my colleague never

the elephant which, so far as the record shows, my colleague never saw. [Laughter.]

As I said when I began to discuss this section of my colleague's speech, I take exception to one portion of his Silver-and-Prices chart. The chart gives Soetbeer as authority for prices down to 1892. But the Soetbeer tables end with 1885, and no one has any authority to extend them. Nor do I believe that my colleague intended to do so. As a matter of fact, my colleague's chart is almost an exact facsimile of one used in a speech two years ago by the Senator from Nevada [Mr. Stewart]. It was afterwards published in the appendix to the last edition of the Coinage Laws, and it was probably there that my colleague found it. He is not the first young man, Mr. Chairman, who has been led into error by following blindly the patriarchal-looking Senator from the State of deserted mining camps. [Laughter.]

WHAT CAUSED THE TWO GREAT FALLS IN AVERAGE PRICES.

Taking the century as the period for investigation, and reverting again to my Chart A for the course of prices, let us try to discover the reasons for those mighty changes in the level of prices.

We note first of all that there have been in this century two periods of very high prices and two periods of gradual fall in prices. Can any principle or law be discovered in accordance with which these changes in price levels took place? If so, it is very pertinent to this discussion.

Let us see if the two periods of high prices have anything in common. The first of these periods extended from 1789 to 1814, with its highest point at 1809. It is very important to remember that these were the years of the Napoleonic wars, which cost Europeso much in blood and treasure. It is noteworthy, also, that the second period of very high prices covers the years of GREAT

WARS: the Crimean in the early 50's, our own mighty conflict in the early 60's, followed in the later 60's by the war between Prussia and Austria, and in '70 by Franco-Prussian war.

sia and Austria, and in 70 by Franco-Frussian war.

Now, war is a great destroyer of property, while at the same time it takes from the productive industries vast numbers of their best workmen. It is a time of abnormal demand coincident with abnormally restricted supply, hence a period marked by great wars is always a period of abnormally high prices.

Mr. SHAFROTH. Was not the rise in prices in the fifties due chiefly to increased gold production?

Mr. Sharkold. Was not the rise in prices in the fittles due chiefly to increased gold production?

Mr. McCLEARY of Minnesota. No, sir. That statement has often been made, but it is clearly not true. The increased gold production may possibly have had some small influence. But that it was very small may be seen when we remember the following feature.

The rise in prices began before the great output of gold began, as will be seen by referring to the Sauerbeck chart above. The prices were influenced no doubt by the insurrectionary disturbances in Europe and by our war with Mexico.

2. There was a marked fall in prices in 1857-1860, as we all know, when the gold production of the fifties was greatest.

And corroborative of my conclusion from the foregoing I note:
3. During the great rise in prices from 1780 to 1800, above mentioned, the production of silver was practically uniform, while the production of gold fell off more than 50 per cent. And furthermore.

4. The production of gold for the last three years has increased far beyond anything ever known before in history, yet prices have

fallen.

To continue my argument. As I had just said when my friend interrupted me with his very pertinent question, a period of war is a period of abnormally high prices. What, on the other hand, is the natural and legitimate effect on prices produced by a long

period of peace?

Every person within the sound of my voice has as one of his proper ambitions the acquirement of a competency for his old age. Now, Mr. Chairman, what is the rational basis of such a hope? In its ultimate analysis it is this: That each month and each year the person entertaining such a hope shall produce more than he consumes. This is the basis of increase in wealth, personal and national.

Now, price depends chiefly on two things: 1, the relation between demand and supply; and, 2, cost of production. It therefore follows that in a long period of peace, when production naturally exceeds consumption and when the wit of man is free to exercise its ingenuity in devising new and better methods of production, prices naturally fall. Thus it has been through all the ages, and thus will it ever be. Following the Napoleonic wars at the beginning of the century, and following the Franco-Prussian war of 1870, came long periods of peace, accompanied by the usual fall in

If peace conditions are normal, three incidental results should

appear:

1. There should be improvement in the standard of living. This implies

That a given amount of labor should bring larger returns in

3. The demand for more and better things to eat should show itself in sustained prices for those better foods whose production can not be increased indefinitely.

WHAT SOETBEER'S SUMMARY SHOWS

Pushing this investigation a little further, let us find out what articles have been most affected by the fall in prices.

And as we have been following Soetbeer, let us look at what his tables show when considered, as he himself sums them up, by groups. The numbers in the following table are his index numbers, with 1847–1850 prices as a base or 100 per cent.

Group.	1866-1870.	1881-1885.	
Products of agriculture, etc	137.74 136.35 121.54 118.33	130, 77 150, 65 184, 41 119, 91	
Minerals and metals Textile materials Miscellaneous Fourteen British manufactured articles	95. 47 129. 17 106. 90 123. 57	81.55 96,65 91.11 106.28	

The Soetbeer tables evidently do not warrant the statement so often made, with them as alleged authority, that "There has been a general fall in prices," if by that expression is meant that all articles or groups of articles have fallen largely, and in a measure

capally.

Dividing the above table into two equal parts, we observe that the prices of the first four (which are chiefly food products) were marvelously sustained; while the prices of the second four (in the

production of which labor-saving machinery could largely be used) show a marked fall.

SOME PRICES THAT DO NOT NEED "RESTORING."

The United States Statistical Abstract deservedly ranks high as an authority. Opening the latest edition (1894) at page 417, I find the export price of mess beef quoted at 7 cents in 1872, at 8.9 cents in 1882, and 5.7 cents in 1892. Butter in 1872 is given at 19.4 cents, in 1882 at 18.6 cents, and in 1892 at 19 cents. Prices of eggs for the same dates are 20.3 cents in 1872, 20.9 cents in 1882, and 23.2 cents in 1892. Other great strongs like corn park and land at the land at th in 1892. Other great staples, like corn, pork, and lard, show equal firmness. The prices of these articles don't seem to need any

firmness. The prices of these articles don't seem to need any "restoring."

But perhaps the free-silver men would like to apply their "restorer" to the price of refined sugar, which cost 12.6 cents a pound in 1872 and only 4.6 cents in 1892. Or perhaps they would like to relieve the poor, suffering oil magnates, whose product was quoted at 23.5 cents a gallon in 1872 and had "fallen" to 5.9 cents in 1892. It may be that their tender sympathies go out to the manufacturers of bar iron, whose product (Abstract, page 412) commanded \$97.63 a ton in 1872 and only \$29.96 in 1894.

Perhaps they don't want poor men to be squandering their substance in building homes, and to that end would "restore the price" of nails, whose Philadelphia price fell from \$5.46 a keg in 1872 to \$1.08 in 1894; and of window glass, which fell from \$3.40 a box in 1873 to \$1.70 in 1891. And possibly their philosophic souls rebel at the idea of a poor man having a carpet on his floor, so they would remove temptation by "restoring the price" from 48 cents a yard in 1890 to \$1.14, as it was in 1873. Then, if the poor fellow in whose interest they are working is not completely happy, they might restore the price of his wife's calico dress from 6 cents a yard in 1892 to 12 cents, as it was in 1873.

And while they are in the restoring business they might come to the rescue of the poor manufacturer of steel rails, whose product began to be made here in commercial quantities in 1867, at which time it commanded \$166 a ton, but in 1894 had fallen to \$24 a ton. This would enable the railway companies to find some justification for restoring their freight rates from .92 of one cent per ton per mile in 1891 (the lowest rate in the world) to 2 cents per ton per mile in 1891 (the lowest rate in the world) to 2 cents per ton per mile in 1891 (the lowest rate in the world) to 2 cents per ton per mile in 1891 (the lowest rate in the world) to 3 cents per ton per mile the "good old rates" that prevailed in 1873.

mile in 1891 (the lowest rate in the world) to 2 cents per ton per mile, the "good old rates" that prevailed in 1873. Nor would these restorers of prices overlook the steamboat men who, though they now haul wheat by lake and canal from Chicago to New York at a profit for 4.44 cents per bushel, were in the habit of receiving 24.47 cents per bushel in 1873.

Here is revealed, Mr. Chairman, the delusiveness of an argument founded on "averages"; it fails to discriminate the individual facts that go to make up the average. [Applause.]

THE INCREASE IN WAGES. There is another serious omission in my colleague's allegations of fact. There is one commodity which stands out by itself so preeminent that even his disdain of details should not have ignored preemment that even his disdain of details should not have ignored it, a commodity which is the truest and best measure of value ever discovered, surpassing in this respect wheat or cotton, iron or copper, silver or gold, and that is a given unit of human labor. And my colleague was somehow blind to the fact, though it is exhibited in one of the tables to which he referred, that the wages of labor have been on the average largely increased in the last third of a century, the increase from the old "bimetallic" wages of 1860 to those of 1890 being 58 per cent in money and 72 per cent in purchasing powers.

or 1890 being 58 per cent in money and 78 per cent in purchasing power.

In 1892 a day's work of skilled labor would buy more of any staple commodity of human desire, more and better food, more and better clothing, more and better transportation, more and better tools and machinery, more and better heat and light, more comforts and luxuries of every kind, more silver and more gold than at any time before 1873 in the history of the world. [Applause.] More than that, there never was a fime in the history of the world when a man who really wanted work could more easily find it than in 1891 and 1892. [Applause.] One evidence of this is the high wages paid, as above shown. And during the fall of 1892 I examined, day by day, the want columns of the St. Paul Pioneer Press and the Minneapolis Journal, two representative dailies of the Great Northwest, and I found on the average four times as many places seeking persons to fill them as there were persons seeking employment. [Applause.]

Mr. HUTCHESON. Why, then, did the people condemn the Republican party in the November elections of that year?

Mr. McCLEARY of Minnesota. My friend forgets the aphorism of the poet:

rism of the poet:

In order to appreciate Heaven well, One must have had about fifteen minutes of—

Well, the other place. [Applause.]

I have tried in this discussion, Mr. Chairman, to preserve my judicial-mindedness. I have studiously refrained from all appeals to prejudice or passion. I have not allowed myself to use the occasion for partisan advantage. But, since my friend from Texas has insisted that I shall for a moment speak as a partisan,

let me remind him that the real flood-tide of defeat for the Republet me remind him that the real flood-tide of defeat for the Republican party was in 1890, when there was only a corporal's guard lett on this side of the House. In 1892 the number of Republicans on this floor was more than doubled. In 1894 the people of the country did all that they could to return power to the Republican party by giving it the magnificent majority in this House which now greets the eye of my Democratic friend. And if my friend will abide in patience the next election he will have opportunity to see what, viewed in the light of comparative experience, the people think of the principles and the practices, the men and the measures of the Republican party. [Applause.] And he will have the comforting assurance that not in a generation, not until a new crop of voters grow up who can not remember. not until a new crop of voters grow up who can not remember, will the Democratic party be again called upon to assume any responsibility in the administration of the affairs of this Govern-

responsibility in the administration of the affairs of this Government. [Loud applause.]

As I was proceeding to say, Mr. Chairman, when my friend diverted my attention [laughter], any honest and intelligent man who has the time to study in detail any reliable table of prices covering the last forty years will find that the prices of those things in the production of which anything like the same amount of labor must be expended have held their own or have increased; of labor must be expended have held their own or have increased; while things, and these are very numerous, in the making of which labor-saving inventions and machinery have been introduced have greatly fallen in price. This accounts for the fall in "average prices," about which so much has been said.

Mr. HOPKINS. Your argument, then, is that the things which ought to have been reduced in price since 1873 have been reduced, while the things that ought to have increased in price have increased.

creased.

Mr. McCLEARY of Minnesota. My friend from Illinois has with his usual clearness stated the case tersely and well.

Mr. McCLEARY of Minnesota. My friend from Illinois has with his usual clearness stated the case tersely and well.

Fifty years ago the average New England mill hand, with the machinery then in use, and working fourteen hours a day, produced 9,607 yards of cotton cloth. In 1892, with improved machinery and working only ten hours a day, the average mill hand produced 30,000 yards. "Working five-sevenths the time, and under vastly improved sanitary conditions, the wages are more than doubled, while the product has been greatly cheapened."

And while we are on this subject, here is something new and fresh in the same line. An article in a recent number of the Iron Age gives the statistics of one of the copper mines, the Quincy mine, in the Lake Superior district. These show that the production commencing with 2,498,574 pounds in 1864, had increased to 15,484,014 in 1894—the yield per fathom and the average richness being about the same. But the cost of production had decreased from 26.71 cents per pound in 1864 to 5.68 cents in 1894. So that the production in thirty years had increased almost sevenfold, while the cost of production is but one-fifth of what it was in 1864. Meanwhile the monthly wages of the miners have increased from \$38.76 in 1864 to \$50.70 in 1894. "The lowering of cost," says the Iron Age, "is of course due to the multiplicity of improvements in every department." It mentions some of them. High explosives, machine drilling, modern stamps for crushing the rock, more economical engines for hoisting and pumping, improved means of transportation, cheaper supplies, and more economical processes generally.

These are two illustrations of what has been going on in every

economical processes generally.

These are two illustrations of what has been going on in every

These are two illustrations of production. The lower prices department of industry and field of production. The lower prices result from the reduced cost of production. There is not the slightest evidence that the so-called "demonetization" of silver had anything to do with it. And the sure proof is that in this, as in nearly all other cases, the reduction of cost of production has been accompanied by an increase in the wages of the producer.

THE CAUSE AND RESULT OF LOWER PRICES

The great staples of the world are cheaper because it takes less human labor to produce them. "Every new railroad and steamboat, every labor-saving machine and improved process of manufacture, increases the grasp which labor holds on the desirable things of the world."

And thus we see, Mr. Chairman, that the great fall in prices of manufactured articles during the last third of a century has been in the main perfectly legitimate, and that its ultimate result will be most beneficent. Taken in connection with the rise in wages, it measures man's vastly increased command over the forces of nature. Through it the world is helped in its grand march onward and upward, being blessed with increased abundance of the good things that minister to human comfort. The workingman good things that minister to human comfort. The workingman of 1893 enjoyed comforts and luxuries which only nabobs could afford forty years ago. A larger proportion of our people in 1892 had a carpet on the floor and a musical instrument in the parlor, silver and fine linen on the table and springs on their beds, good clothes to wear and good food to eat, a carriage to ride in, and papers, magazines, and books to read than ever before in any age or country in the world. [Applause.]

These wonderful results have come as the beneficent fruitage

of man's inventive genius in devising labor-saving machinery, of the marvelous new forces which men are harnessing for the service of the human family, of the remarkable improvement in modern facilities for transportation, and of the stoppage of the tre-

mendous and cruel waste of war.

What will a day's work produce? This is the true test of progress. As prices decline compared with the reward of human labor the condition of the people is elevated. This is a process of natural law and a phase of evolution. Men struggle against it only because they do not understand it. Like all movements onward, it brings temporary hardship to individuals here and there. But for the they do not understand it. Like all movements onward, it brings temporary hardship to individuals here and there. But for the vast mass of humanity it is bringing emancipation from want and vast mass or numarity it is bringing emancipation from want and the promise of that golden future when a minimum of time will be required to provide for the necessities that are simply physical and temporal, thus leaving time and opportunity for the cultiva-tion of those elements in our nature that are spiritual and eternal.

[Loud applause.]

A Member. I thought Republicans believed in high prices.

Mr. McCLEARY of Minnesota. The gentleman is evidently not a Republican and has little conception of Republican doctrine. Republicans believe in high wages for labor and low prices for manufactured articles. But Republicans do not believe that any prices are low that leave American resources undeveloped and American workmen unemployed. [Applause,] Republicans point with pardonable pride, sir, to two undeniable facts, namely, that under Republican rule the prices of manufactured goods have greatly follon, while on the other hand the wages of workmen have greatly fallen, while on the other hand the wages of workmen have

greatly risen. [Applause.]

Mr. PICKLER. How about wheat?

Mr. McCLEARY of Minnesota. My talented friend from North Dakota [Mr. Johnson] answered that question so ably last week that it seems unnecessary for anyone else to discuss that subject again this session. But there are a few points related to the subject which I had planned to consider in another connection. This matter is important, and in the hurry I might forget it. So, as my friend from South Dakota [Mr. Pickler] has brought the matter up, and as it has a certain relevancy here. I shall ask attenmatter up, and as it has a certain relevancy here, I shall ask attention to it now.

CHANGES IN WHEAT PRODUCTION.

I have here Senate Ex. Doc. 91, of the second session of the Fifty-third Congress, prepared by the Treasury Department, showing the imports and exports of certain countries by years for the last

quarter of a century.

This report shows that the quantity of wheat exported from Ruswas 6,957,164 chetverts; while in 1891 her export of wheat had risen to 16,206,000 chetverts, or considerably more than double.

The wheat exported by India in 1873 was 394,010 hundredweight;

while in 1892 it had risen to 30,306,700 hundredweight, or almo

eighty times as much.

But the report from the Argentine Republic is even more startling. In 1873 she exported not a bushel of wheat. She began to compete with us in 1876, in which year she exported 20,868 kilos. But by 1892, Mr. Chairman, her export of wheat had risen to 470,109,617 kilos, or more than twenty-two thousand times as much as in 1876!

Moreover, Mr. Chairman, the production of wheat in this country has grown enormously and its methods have been revolution-

Taking the States by groups, we find that the annual wheat crop of Maryland, New York, and Pennsylvania increased from 22,272,000 bushels in 1872 to 39,604,000 bushels in 1891, or about

80 per cent.

The production of the second group, comprising the States of Wisconsin, Michigan, Illinois, Indiana, Ohio, Kentucky, and Ten-

nessee, increased during the same time from 116,690,000 bushels to 201,418,000 bushels, or over 70 per cent.

Taking as the third group California, Oregon, and Washington, we find that the production of this group has increased from 28,006,000 bushels in 1872 to 61,960,000 bushels in 1891, or about 120 per cent.

And in the fourth group, comprising Minnesota, the Dakotas, Iowa, Nebraska, Kansas, Missouri, and Texas, the increase during the same time is from 58,067,000 bushels to 269,851,000 bushels, the enormous increase of more than 210,000,000 bushels, or nearly

And in these years have come mighty changes in the methods of producing and handling wheat. My colleague may make light of these changes; he simply shows thereby how little he knows from actual experience what these changes have really been. His statements would provoke a smile from anyone who has had actual experience in wheat farming during the last quarter of a century.

He speaks of the threshing machine as having been "brought to perfection in 1853." I am charitable enough to believe, Mr. Chair-man, that my colleague really read that statement somewhere. But every man who has been around threshing machines very long knows that even as late as the seventies they had as a rule 28-inch cylinders, were driven by horse power, and had a capacity of about 500 bushels of wheat per day, if the horse power did not bother too much. Now, the thresher is driven by steam, works untiringly, has a 40-inch cylinder or larger, and a capacity of 1,600 to 2,000 bushels of wheat per day.

It is true that the fundamental idea of the reaper had been

It is true that the fundamental idea of the reaper had been invented before the war, but the reaper itself had not come into general use even in 1870. A large part of the wheat was then "cradled," another large part was cut by the old "hand-rake" reaper, and the rest by the "wonderful self-rake" reaper, then beginning to come into use. All the binding was then done by hand. Even after the self-rake reaper came into use, in the later seventies, it took four horses and five men to cut and bind as many acres as three horses and one boy can now cut cleaner, bind more

firmly, and leave in better shape for shocking.

By the use of labor-saving machinery wheat raising has almost ceased to be farming and has become in large measure manufac-

The wonder is not that the price of wheat has fallen somewhat (though the actual farm price has not fallen so much as we are sometimes led to believe); the wonder is that the price has not fallen much farther. That it did not, up to 1891, is evidence that the standard of living had been rising. More people were eating wheat bread than formerly, and they are it in larger quantities.

(I may be pardoned for remarking in this connection, that the chief cause for the lower prices during the last three years is that people have been eating less and poorer food.)

THE NET RESULTS OF 1871 AND THOSE OF 1891.

And now, Mr. Chairman, let us compare the actual net results of wheat raising in 1871 (the last year whose crop was marketed before the act of 1873) with those of 1891 (the last year whose crop

before the act of 1873) with those of 1891 (the last year whose crop was marketed under Republican rule).

The average export price of wheat in 1871, as shown by the reports of the New York Produce Exchange, was \$1.967. (It had been only \$1.142 in 1869 and \$1.126 in 1870.) The average export price in 1891 was \$1.094. This is the kind of statement that the

price in 1891 was \$1.094. This is the kind of statement that the average free-silverite likes to make, and then stop, leaving the impression that it marks the difference in net proceeds to the wheat raiser. But it is very far from doing so.

In the first place, as shown by the Statistical Abstract, page 360, it cost from 14 to 16 cents a bushel less in the latter year for freight between Chicago and New York. And, as shown on the same page, it cost only three-fifths as much for handling (elevators, insurance, etc.) between the same points. Taking the freight rates of the several years (Abstract, page 362), the reduction in rates from St. Paul or from Omaha to Chicago was at least 9 cents a bushel or a reduction in cost of marketing between St. Paul or a bushel, or a reduction in cost of marketing between St. Paul or Omaha and New York of at least 25 cents. Subtracting this from \$1.36 we have left \$1.11. And this allows nothing for the difference in expense in getting the grain to St. Paul or Omaha. So that when the difference between the kinds of money has been So that when the difference between the kinds of money has been allowed for (gold prices being taken in both cases), it is seen that the selling price in 1871 was practically the same in 1891 In fact, when reckoned in the same kind of money, the Chicago price of wheat in 1889 and 1890 was higher than in 1869 and 1870. We are sometimes deceived as to this by recalling to mind the greenback prices, and forgetting that greenbacks were then at a large discount.

But, Mr. Chairman, when we consider how much less it now costs to raise wheat than it did then; how a man and a boy can now harvest 120 acres as quickly and well as five men could then, thus saving entirely on an ordinary farm the "harvest wages" then paid; how the rate for threshing is only about half or less what it then was, we can see that even from a money standpoint it was just as profitable to raise wheat in 1891 as in 1871.

But when we consider how much more of the necessaries and comforts of life a bushel of wheat will buy now than then, it is easily seen that wheat raising was much more profitable in 1891

THE SITUATION OF FARMERS IN 1873.

So much has been said by free-silver orators to mislead farmers into the idea that everything was prosperous with them before 1873 and nothing has been since, that I submit now a paragraph that I have copied from the Report of the Iowa State Agricultural Society for 1873. It is from an address delivered by C. H. Rogers at the Harrison County fair, and gives a faithful picture of the situation at that time in that mighty State:

Proud of these aspects and of her progress in practical agriculture, still the condition of the laboring man and farmer is far from what is desirable. They have worked, watched, and waited for an adequate reward until weariness has well nigh turned to hopelessness. Farming has been a financial faiture for the past three years. Hard toil has opened up fine farms and brought to the bins the products of unexampled harvests, but the sales have hardly paid expenses and bought cheap clothing until the coming harvest. There is no surplus to improve buildings, purchase thoroughbred stock, and furnish the home with any of the luxuries of art and literature.

As shown by my eloquent friend from Iowa [Mr. DOLLIVER],

the Annual Report of the Iowa State Agricultural Society for 1878 gives the price of corn at the capital of Iowa in December, 1870, at 25 cents; in December, 1871, at 21 cents; in December, 1872, at

The price of all our staple products for every month in the year 1873 is preserved in the same report (the greenback prices, be it remembered) as follows:

Month.	Wheat.	Rye.	Barley.	Corn.	Oats.	Hay.
January	1.10 1.10 .85 .85 .75	\$0.35 .35 .35 .35 .45 .35 .35 .35 .45 .45 .40 .40	\$0.40 .45 .45 .45 .45 .40 .50 .60 .70 .70	\$0.16 .17 .17 .18 .22 .23 .20 .22 .22 .22	\$0.20 .20 .20 .20 .22 .23 .20 .20 .20 .27 .27 .27 .27	\$6.00 6.00 6.00 6.00 6.00 6.00 5.00 5.00

The average price of pork in Iowa for the season of 1871–72 was \$3.74, and for the season of 1872–73, \$3.52.

Let any man turn to the files of his local paper during the Administration of President Harrison and see how actual farm prices

compared with the above.

The famous Senate report of 1893 on wages, transportation, and The famous Senate report of 1893 on wages, transportation, and prices, which covers more items (223) than were ever before covered by such an investigation, shows that from 1873 to 1891 foot products as a class had fallen less than 10 per cent, while clothing had fallen 32 per cent, building materials about 20 per cent, house furnishings 27 per cent, and implements 35 per cent. (And as compared with those of 1860, it appeared from this investigation that the price of food products as a whole had advanced 18 per

I am thoroughly of the opinion, Mr. Chairman, that if Omnipo-tence would vouchsafe to turn us back for just one month to the conditions of 1873 it would be an experience as fruitful in sound financial instruction as have been the experiences of the last three years in economic doctrine. [Applause.]

PROGRESS OF INVESTION.

Before leaving this branch of the subject, I desire to put into the RECORD, in answer to the remarkable statement of my colleague that "the inventions of the last quarter of a century have not been relatively so numerous or important as those from 1850 to 1873," the table from page 403 of the Abstract, showing the number of patents issued in the United States on inventions (every one of which must be for something "new and useful"), by years, from

Period before 1878.		Period after 1873.				
1842 1843 1844 1844 1845 1846 1846 1847 1848 1847 1848 1850 1851 1852 1853 1855 1856 1857 11857 11863 1864 1863 1869 1869 1861 1867	517 519 497 503 638 563 1,077 993 872 1,019 961 1,844 2,013 2,515 2,505 6,616 3,695 3,592 4,184 5,504 6,504 4,778 3,329 3,532 4,184 5,605 6,616 9,458 13,097 13,398 13,056 13,613	1873	12, 866 13, 599 14, 837 15, 18, 590 15, 18, 500 13, 211 13, 949 113, 211 22, 382 22, 382 22, 382 22, 500 22, 47 30, 50 22, 500 21, 47 30, 50 22, 32 23, 70 23, 70 23, 70 23, 70 23, 70 23, 70 24, 25 25, 25 26, 26 27, 27, 27, 27, 27, 27, 27, 27, 27, 27,			

That is, Mr. Chairman, the inventions of the last six years alone exceed in number those of the period to which my colleague refers. And even to our minds, accustomed though they are to the wonderful march of invention, the character of recent discoveries is actually startling.

And the progress of invention in other lands has been relatively almost as great.

SOME OF THE FRUITS OF TWENTY YEARS.

And now, sir, let us take a glimpse at some of the mighty accom-

And now, ar, let us take a grimpse at some of the mighty accomplishments of the years 1872 to 1892.

Turning to the Abstract before cited, pages 6 and 7, we find that the public debt was reduced from \$1,814,794,100 in 1872 to \$585,029,330 in 1892, or to less than one-third; while the annual interest charge was reduced from \$103,988,463 to \$22,803,883,20, or to be at the confifth what it had been through the state. est charge was reduced from \$103,988,463 to \$22,893,883.20, or to about one-fifth what it had been twenty years before. Putting this statement into the "per capita" form, which is so much affected by some of our friends, the public debt was reduced from \$52.96 per capita in 1872 to \$12.86 in 1892; while the per capita interest charge was reduced from \$2.56 to 35 cents. Such a tremendous reduction in public debt, sir, was never before accomplished in history. It is an achievement in which every hard. plished in history. It is an achievement in which every American may justly take pride. [Applause].

Turning to page 43 of the Abstract, we find that the deposits in

national banks rose from \$673,400,000 in 1873 to \$1,118,600,000 in 1882, and to \$2,022,500,000 in 1892. And turning to page 46 of the Abstract, we find that in the ten years, 1882 to 1892, or half the time above considered (I have no data for the other ten years, but the increase was no doubt equally great), the increase in savings banks was the enormous sum of almost \$800,000,000. That is, sir, in addition to building better homes and furnishing them better, wearing tion to building better homes and furnishing them better, wearing better clothes and spending more money in living, the actual increase in money saved and deposited in savings and national banks alone, without considering the increased deposits in State and private banks and in the stock of building and loan associations—the increase in actual money savings of our people was almost \$2.000.000,000 in the ten years ending in 1892.

Turning now to page 379 of the Abstract, we find that the assessed valuation of the land has increased from \$9,914,780,825 in 1870 to \$18.956.556.675 in 1890, or almost double. And although

1870 to \$18,956,556,675 in 1890, or almost double. And although the amount of local and State taxes increased from \$280,591,521 in

1870 to \$471,365,140 in 1890, the rate of taxation fell from \$1.98 on the \$100 in 1870 to \$1.85 on the \$100 in 1890.

And so we might go on, Mr. Chairman. These facts are simply typical of numberless others that might be instanced to show the mighty achievements of the twenty years ending in 1892, achievements which have challenged the wonder and admiration of the world. [Applause.] And in another connection, in seeking to show that this country could alone undertake the task of "restoring silver," my colleague himself bore eloquent tribute to these same accomplishments.

It is very plain that those were not years of "ruin."

It is very plain that those were not years of "ruin."

A MEMBER. How about increase in private indebtedness?

Mr. McCLEARY of Minnesota. Ah, Mr. Chairman, if the gentleman will take the trouble to investigate, he will find that it was not the act of 1873 but the boom in city lots in 1883 and in farm lands in 1891 that caused most of the private indebtedness under which so many are now struggling. It is the evidence of the debtor's faith in the future; a faith, sir, which that future will abundantly justify. [Applause.]

And, while we are on this point, let me give the committee the facts revealed by the investigations of the labor commissioner of the State from which my colleague and I both hail.

The report for 1893 shows that the total farm debt of Minnesota was in round numbers \$39,000,000, an increase in ten years of \$4,000,000. But, sir, during those ten years there was an in-

of \$4,000,000. But, sir, during those ten years there was an increase in the value of-

	8,860, 6,000,	
Total increase in farm wealth 17 Increase in debt 17	6, 686, 4, 000,	

Moreover, Mr. Chairman, the mortgage foreclosures in our State in 1892 and 1893, as compared with those of 1880 and 1881, show a decrease of 12.5 per cent in acreage, 33.1 per cent in number, and 34.4 per cent in amount. [Applause.] The people of Minnesota know that her farm lands are constantly and rapidly increasing in value, and so they have bought and still continue to buy more than they can now pay for, in the full faith that the future will reward them for the self-denial and risk of the present. And those who have not gone in too far will find ten years from now those who have not gone in too far will find ten years from now that they have done wisely and well. What they need especially to be warned against is the counsel of men who would influence them through their present necessities rather than their permanent advantage. On this point I shall speak later, if time permits.

THEORETICAL BIMETALLISM.

And now, Mr. Chairman, having shown that the years from 1872 to 1892, so far from being years of disaster, have, by my colleague's own testimony, been years of mighty achievement, we have reached a point in this discussion where confessedly it is not

a condition but a theory that confronts us, the theory which my colleague cherishes under the delusive name of "bimetallism"; recently conceived theory, born of recent needs and hopes and fears; a theory which never came into existence as such until time was ripe for its utter refutation; a theory so new that even the name of it can not be found in the latest edition of Webster's Unabridged Dictionary, except in the supplement; a theory which is "almost the only instance in history of a theory growing not out of practice, but the failure of practice; resting not on data verified, but on data falsified and censure-marked."

The theory is this: A country, by opening its mints to the unlimited coinage of gold and silver at a fixed ratio and making the coins of both full legal tender, will secure thereby the concurrent circulation of both as money. This is the essential part of the theory, though it has, as stated by its different advocates, numerous minor addenda. One class of so-called "bimetallists" claim that "the open mint absolutely fixes the parity of the two metals at the local ratio", while another class of them also makes at the legal ratio"; while another class of them claim no more than that it "tends to do so," and then they add the gratuitous statement that "thus the two metals become one mass for money statement that "thus the two metals become one mass for money purposes," whatever that may mean. To the man who is interested in silver production, the view that free coinage would "enhance the price of silver" is held up, and much is made of alleged "rights" of silver, forgetting that neither silver nor gold has any rights, being simply instruments to be used by man in such ways as shall best serve his purposes. With the man whom such ways as shall best serve his purposes. With the man whom they believe to be desirous of repudiating his just obligations under cover of law, they take the opposite tack, claiming that free coinage would lower the unit of value, thus giving a fictitious enhancement of prices and thus enabling debts to be paid more

I propose to show, Mr. Chairman, that free coinage of both metals would not result in their concurrent circulation; and that so far as debtors are concerned it is true here as elsewhere that honesty is indeed the best policy. I propose to show that the thing dubbed by them "bimetallism" is in fact monometallism of the worst kind; and that, so far from giving us more money for the transaction of business, it would give us less money and poorer

HOW "FREE COINAGE" REALLY WORKS.—THE GRESHAM LAW.

It seems very natural to expect that if both metals may be coined. both metals will be coined; and that if both are coined, both will circulate as money. This view is so natural that it is not to be wondered at that persons having little time to devote to the careful study of the subject should believe it to be correct. investigation and study, however, will reveal the utter fallacy of the claim.

There is a Lawmaker higher even than Congress decrees, like Himself, are unchangeable. One of His laws—writ-ten in the fibers of every human soul; one which no act of Congress can abrogate or every numan soul; one which no act or Congress can abrogate or change—is that which prompts every human being to do in a business way that which he deems to be for his own best interest. If a farmer who is equally near to two markets finds that he can get for his barley or his wheat, his eggs or his wool, a better price in one market than in the other, he will, other things being equal, take his product to the place where he is offered the better price, even though the difference per unit be quite small. This holds good also with the producer of gold and silver.

I need not explain to the committee what is meant by coining at the ratio of, say, 15 to 1. It means, of course, that at the mint 15 ounces of silver are treated as equal to 1 ounce of gold.

But silver and gold are both used in the arts, and the goldsmiths and silversmiths get their gold and silver by buying it. This fact gives rise to what is known as the market ratio between the metals as distinguished from their mint ratio. Now, if gold or silver is worth more as bullion than as money, if the market price of either is at any time greater than the mint valuation, it is clear that the metal thus undervalued at the mint will be disposed of in the market as bullion and will cease to circulate as money.

The famous law of money, that "with unlimited coinage of both

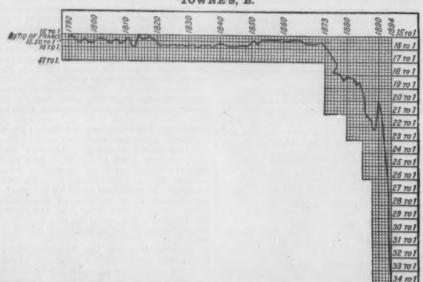
metals at a fixed ratio, the metal that is overvalued at the mint will go to the mint and will circulate as money, while the metal that is undervalued at the mint will retire from circulation," was first discovered by Oresme, of France, councillor of Charles the Wise, who was having trouble with his money in consequence of having unlimited coinage of both metals. The same conclusions were reached 160 years later by the independent investigation of Coperreached 100 years later by the independent investigation of Copernicus, the eminent astronomer, when he was called upon by Sigismund, King ef Poland, to formulate a plan for the reform of the intolerably disordered money system of that ancient monarchy. And in the latter part of the 17th century it was again discovered and formulated by Sir Thomas Gresham, adviser of Queen Elizabeth of England, in honor of whom it has been called the Gresham law. This fundamental principle or law of coinage has been found true in all ages and countries wheneve and has been found true in all ages and countries, whenever and wherever the experiment has been tried.

My colleague, as is common with men who desire to sustain the wisdom of this theoretical "bimetallism," has appealed to the experience of France for justification. Let us see what the experience of France really was.

The points which my colleague seeks to establish by the chart, to which I now invite your attention, are:

1. That France by establishing, in 1803, her mint ratio at 15½ to 1 "sustained for 70 years single-handed and alone her legal ratio as the commercial ratio of the world."





2. That during these years France had real bimetallism; that is,

2. That during these years France had real bimetallism; that is, that she enjoyed the concurrent circulation of both metals.

3. That the fall in the price of silver is solely due to unfriendly legislation on the part of many nations. But, nevertheless,

4. That the United States can now fix the ratio where we please, and maintain it there regardless of the action of other nations. Reverting now to my colleague's first claim as stated above, I would say that, as usual, his chart exhibits too little of the truth. Had he carried his exhibit back far enough, he could have shown that the ratio was just as steady for nearly 120 years before the French act of 1803 as during the 70 years following its passage, as will be seen by the following table of average ratios taken from the latest report of the Director of the Mint, page 239:

Commercial ratio of silver to gold for each year since 1887.

Commercial ratio of eilver to gold for each year [Note.—From 1697 to 1832 the ratios are taken from the tables of Dr. A. Soetbeer; from 1838 to 1878 from Pixley and Abell's tables; and from 1878 to 1892 from daily cablegrams from London to the Bureau of the Mint.]

Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.
1687	14.94	1729	14.93	1771	14.06	1813	16.25	1854	15.33
1688	14.94	1730	14.81	1772	14.53	1814	15.04	1855	15.38
1689	15.03	1731	14.94	1773	14.62	1815	15.26	1856	15.38
1000	15.02	1782	15.00	1774	14.62	1816	15.28	1857	15.27
1601	14.98	1788	15.18	1775	14.72	1817	15.11	1858	15.38
1692	14.98	1734	15.80	1776	14.55	1818	15.35	1850	15.19
1693	14.83	1735	15.41	1777	14.54	1819	15.83	1880	15.29
1694	14.87	1786	15.18	1778	14.68	1820	15.62	1861	15.50
1695	15.08	1737	15.02	1779	14.80	1821	15.95	1863	15.35
1696	15.00	1788	14.91	1780	14.72	1822	15.80	1863	15.37
1697	15.20	1739	14.91	1781	14.78	1823	15.84	1864	15.37
1008	15.07	1740	14.94	1783	14.49	1824	15.82	1865	15.44
1609	14.94	1741	14.92	1783	14.48	1825	15.70	1888	15, 43
1700	14.81	1749	14.85	1784	14.70	1826	15.76	1867	15.57
1701	15.07	1743	14.85	1785	14.93	1827	15.74	1868	15.59
1708	15.52	1744	14.87	1786	14.96	1828	15.78	1869	15.50
1708	15.17	1745	14.98	1787	14.92	1829	15.78	1870	15.57
1704	15.23	1746	15.13	1788	14.65	1830	15.88	1871	15.57
1705	15,11	1747	15.26	1789	14.75	1881	15.78	1872	15.63
1706		1748	15.11	1790	15.04	1839	15.73	1873	15.92
1707	15.44	1749	14.80	1791	15.05	1883	15.93	1874	16.17
1708		1750	14.55	1798	15.17	1834	15.73	1875	16.59
1700	15.31	1751	14.39	1793	15.00	1895		1876	17.88
1710	15, 22	1759	14.54	1794	15.87	1836	15.72	1877	17.22
1711	15.29	1753	14.54	1795	18.55	1897	15.83	1878	17.94
1719	15.31	1754	14.48	1796	15.65	1838	15.85	1879	18.40
1718	15.94	1755	14.68	1797	15.41	1839	15.63	1880	18.05
1714	15.13	1756	14.94	1798	15.59	1840	15.62	1881	18.16
N PPS 45	15.11	1767	14.87	1799	15.74	1841	15.70	1882	18.19
1717	15.00	1758	14.85	1800	15.68	1849	15.87	1883	18.64
	15.18	1750	14.15	1801	15.46	1843	15.93	1884	18.57
	38 00	1760	16.14	1808	15.26	1844	15.85	1885	1 100 500
1790			14.54 15.27	1808	15.41	1845	15.92	1886	20.78 21.13
15 7000/5	19 Dr. 43-05	1763	10.27	1804	15.41	1846	15.90	1887	21.10
1722	10.00 10.00	1764	14.99	1806	15, 70	1848	15.80	1888	
75 (75) (75)	1 90 00	1705	14.88	3000	30 40	1 3040	15.85	2000	20 00
1794	15.11	1706	14.80	1807		1850	15.78 15.70	2005	000 000
1725		1767	14.85	1800		1851	15.46	1892	23, 72
9 (7)(3)(3	98 98	1768	14.80	1810		1853	15.59	7000	120 40
1727	15.24	1700	14.73	1811	15.53	1853	15.33	1894	32.50
1728		1770		1812		AOUR7	10,00	LOURS	Gar. 00
2100	au sa	Nesve-	A. R. 1800	AUAREAN	AU. AL				1

Not even the boldest free-silver man will claim that the famous Napoleonic law could have acted by anticipation for more than a century. As that law did not affect the years before it was passed, yet the ratio was just as steady then as after it was enacted, the burden of proof rests upon the free-silver advocates to show that the law referred to had anything to do with the steadiness of ratio after it was passed.

PRANCE DID NOT HAVE CONCURRENT CIRCULATION.

Now let us examine the second claim, namely, that during this eriod France enjoyed the concurrent circulation of both metals.

This is the supreme test of their philosophy.

It will be seen on a close examination of my colleague's chart that the waving line (representing the commercial ratio) is part

It will be seen on a close examination of my colleague's chart that the waving line (representing the commercial ratio) is part of the time above and part of the time below the straight line representing the legal ratio, but that it never remained, even for a single year, coincident with it; nay, they can not show that for a single month during all those seventy years did the legal ratio control the commercial ratio and keep the two coincident. And now let us consider the consequences of this.

Looking carefully at the chart, we note that during the thirty years from 1820 to 1850 the commercial ratio remained persistently below the legal ratio, and that during the next fifteen years the commercial ratio continued almost as steadily above the legal ratio. In plain English, what does that mean? It means that from 1820 to 1850 silver was worth more at the mint than in the market, or, in other words, it was worth more as coin than as bullion, while the opposite was true of gold. What might we expect as the natural result? Why, of course, that each metal would go where it was most profitable to take it; that is, the silver to the mint, to be coined and used as money, and the gold to vaults for hoarding, to other countries, or to the melting pot of the goldsmith. And during the following fifteen years, from 1850 to 1865, we should naturally expect the reverse process, namely, that gold (being overvalued at the mint) would go to the melting pot or be exported. And that this was precisely what did take place can be shown by abundant and unimpeachable testimony.

My first authority is Henry Dunning MacLeod, who, on pages

ble testimony.

My first authority is Henry Dunning MacLeod, who, on pages 14 and 15 of his book entitled "Bimetallism," says:

14 and 15 of his book entitled "Bimetallism," says:

The period between 1893 and 1873 is cited by bimetallists as the golden age of bimetallism. But if they imagine that there was during that period a general circulation of gold and silver coin in unlimited quantities, they are under a wooful delusion. The French Government pillaged all the sanctuaries in France of their vast masses of silver plate, and the French liberating armies pillaged all the treasuries and sanctuaries of the countries they came to liberate.

Immense quantities of silver plate were sent to the mint to be coined. The consequence was that, while the legal ratio of silver to gold was 154 to 1, the market ratio became 17 to 1. No gold coin, therefore, got into general circulation. During the period from 1803 to 1820 there was for eleven years a premium on gold, sometimes as much as 3 per cent, which, of course, prevented gold coming into general circulation. But after 1820 the premium on gold rose very considerably, and between 1820 and 1847 it was usually an average of 10 francs per mille, but in many years 18, 19, 30, and 21 francs, which, of course, utterly precluded any gold getting into circulation.

I myself can testify that in 1809 there was not to be seen a gold coin in France in common use.

But in 1851 a great change took place. The gold discoveries in California and Australia caused floods of gold to be imported into Europe, and in 1851 silver ose to a premium. Then the money in common use changed from silver to gold. I was residing in a seaport town in 1857, and every steamer which came in was loaded with casks of Scotch whisky going to be transmuted into French brandy, and every steamer that went out had its decks piled with franc [silver] pieces. The same was true at every other seaport. Silver departed from France in floods; every steamer and every diligence that left France carried away loads of these 5-franc pieces.

At last the scarcity of silver became so great that it became necessary to coin those pestilent 5-franc pieces in gold.

And not to wasny the committee with needless repetition of

And, not to weary the committee with needless repetition of statements all showing the same thing, I now cite the statement of the French Monetary Commission of 1867 itself, made six years

Defore 1070:
It is well known by all that this ratio (of 1803), by the simple reason of its being fixed, could not remain correct. There was quickly a premium on gold, and allver remained almost alone in circulation until near 1800. The discovery of the mines of California and Australia suddenly changed this situation by throwing into the European market a very considerable quantity of gold. There was a premium on silver to the extent of 8 per mille, and it disappeared almost completely from circulation, yielding place to gold.

And thus we see, Mr. Chairman, that the French legal ratio never succeeded in holding the commercial ratio coincident with it, and that France during those much-vaunted years did not enjoy the concurrent use of both metals.

FRENCH COINAGE TABLES.

And even the tables of French coinage introduced by my colleague to prove concurrent coinage and circulation will, upon careful examination, help to repudiate his claim and overturn his theory. Here is his table:

Coinage of France.	Gold(average per annum).	Silver (average per annum).	
1806-1810	293, 976 826, 149 589, 857 159, 326 1, 294, 337 12, 669, 263 21, 605, 465 7, 667, 357	£1, 184, 737 5, 208, 029 983, 111 3, 529, 432 5, 032, 004 6, 576, 140 3, 088, 189 3, 088, 286 4, 311, 276 1, 431, 735 666, 651 175, 008 3, 402, 020 2, 742, 770	
Total coined	322, 993, 410	217, 640, 234	

The committee will note how very small was the coinage of gold from 1820 to 1845 (the table should show that it continued very small until 1849) and how large the coinage of silver during these same years. Then, on the other hand, notice how enormous the gold coinage was from 1850 to 1870 (amounting to over \$250,000,000) and how insignificant was the silver coinage from 1850 to 1865. And remembering our own experience from 1861 to 1879, when we coined vast quantities of both metals, but had neither in circulation, we can easily understand that the coinage to 18/9, when we coined vast quantities or both metals, but had neither in circulation, we can easily understand that the coinage of gold from 1820 to 1849 was almost entirely for purposes of hoarding or sale, as shown by the statements of MacLeod and the French Commission, quoted above. And similarly we can understand that even the small coinage of silver from 1850 to 1865 was not for purposes of circulation.

THE LATIN UNION. All the countries having the French system (France, Belgium, Switzerland, and Italy) had this same experience. Silver for change became so scarce therein the later fifties and the early sixties as to embarrass business. In a year or two this condition became as to embarrass business. In a year or two this condition became unbearable, and in 1865 these countries formed what is known as the Latin Union. The object of the Union was not to maintain the "bimetallic" system (as is so often stated), but to provide a defense against it. We are told that at the preliminary conference of delegates, "Belgium proposed the single gold standard—the silver pieces, including the 5-franc pieces, to be lowered by an agio, and made divisional money. Italy and Switzerland were of the same opinion, but their scheme failed before the opposition of France." But by the convention of December 23, 1865, which instituted the Latin Union, "the hitherto full-valued silver coinage from 2 francs down was changed into token money," and the coinage and tender of these coins was limited. This was clearly, as I said before, not the maintenance of the "bimetallic" system, but a defense against its operation; that is, it was a measure to prea defense against its operation; that is, it was a measure to prevent the loss of the small silver needed for "change." In order to put this fact beyond all controversy, I quote the French Monetary Commission of 1867, which, in speaking of the intention in forming the Union, says:

This convention places in the front rank gold money and reduces the places of silver of two francs and less to the rôle of token money. It therefore definitely determines the accendency of the gold francs, and solves practical difficulties arising from the double standard.

But the 5-franc silver piece was left undisturbed, with "free

coinage" and unlimited tender. The folly of this was not long in making itself apparent. By 1867 the production of silver had greatly increased, and its commercial ratio had fallen below its greatly increased, and its commercial ratio had fallen below its ratio at the mints of the Latin Union; that is, it had by that time again become more profitable to coin silver and dispose of it as money than to sell it as bullion, while the opposite was true of gold. The result is plainly shown in the coinage table of my colleague, quoted above. The committee will note that in the five-year period ending 1870 the coinage of silver increased enormously over that of the preceding five years; and, on the other hand, beginning with 1870 (it really began in 1868) the coinage of gold fell off very greatly. This was the result of continuing the "free coinage" of the silver 5-franc piece. Seeing that, in consequence of the fall in silver, which had then begun, they were in danger of losing their gold coin if their mints were continued open to the "free coinage" of the silver 5-franc pieces, the Union first limited their coinage of them; and then, the menace still continuations. to the "free coinage" of the silver 5-franc pieces, the Union first limited their coinage of them; and then, the menace still continuing, closed their mints entirely to coinage of silver on individual account. Thus it appears, Mr. Chairman, that silver did not fall because of the closing of those mints; but the mints were closed to silver because of its fall.

silver because of its fall.

Mr. Leon Say, then the French minister of finance, in giving the "motifs" of the act of 1876 (which suspended entirely the coinage of these 5-franc silver pieces), said:

The theory of the double standard, on which our monetary law of the year XI (1803) reposes, has been called in question ever since its origin.

It is, to our conception, less a theory than the result of primitive inability of the legislators to combine together the two precious metals otherwise than by way of an unlimited concurrence—metals, both of which are destined to enter into the monetary system, but which recent legislators have learned to coordinate by leaving the unlimited function to gold alone and reducing silver to the rôle of divisional money. From 1857 the French Government has studied the question, and it may be stated that since that date the principle of the gold standard has won increasing favor through our several administrations.

From this we see that the action of France and the Latin Union (and indeed of nearly all civilized nations) in discontinuing the ef-(and indeed of nearly all civilized nations) in discontinuing the effort to maintain so-called "bimetallism" was not a notion suddenly conceived in the early 70's, but a course of action whose wisdom had continually grown upon their financial leaders for many years; emphasized by the loss of their silver money in the 50's, and then about 1870 again emphasized by the threatened loss of their gold money, this alternate loss of one or the other money metal having by that time become recognized as a necessary and legitimate consequence of having splinited coincase and to all the laternate loss of the superconductions. mate consequence of having unlimited coinage and tender of both metals. And the tremendous increase in gold production had made it plainly practicable to apply the remedy.

Summing up, we have seen that the existence of the French legal ratio did not even for a single month hold the commercial ratio coincident with it; that, as a consequence, France had at first silver monometallism for a long period, then gold monometallism, and then the danger of a return to silver monometallism, which she prevented by abandoning her so-called "bimetallic" law; that the Latin Union was formed not to perpetuate that kind of "bimetallism," but as a defense against its action; and that the closing of their mints to silver was not the cause but the consequence of the fall in silver. [Applause.]

THE QUESTION OF RATIOS.

By inference we are led to believe that this recent fall in the price of silver has no counterpart in history. Some free-silver advocates speak as if the relation of 16 to 1 was something fixed by divine decree, and which until 1873 had existed through all the ages. Indeed, the great leader of the Populists in Minnesota, a ages. Indeed, the great leader of the Populists in Minnesota, a man of wonderful eloquence but scant information on these subjects, speaking in his paper of the length of time during which silver has been used as money, referred to Abraham's purchase of the field of Ephron for 400 shekels of silver, and then added, "Yes, my friends, and even in those days the ratio was 16 to 1." [Laughter.] He evidently had not recently been reading the Book from which he drew his illustration. For had he turned to Genesis xxiii, 16, where this famous transaction is recorded, he would have read: "And Abraham weighed to Ephron four hundred shekels of silver." The shekel current money with the merchant."

read: "And Abraham telighted to Ephron four hundred shekels is silver, " " " current money with the merchant." The shekel there referred to was a Jewish weight, not a Jewish coin. There is no mention of gold as money at that time, and no mention of colning. Silver was money by weight, just as gold was in the early days of California. And no one can tell what the ratio of the metals was then and there, if any.

But Alexander Del Mar, whom free-silverites so often quote as authority, tells us in his History of Monetary Systems that in the Archaic Period the ratio was 1 to 1, that is, silver was esteemed as highly as gold. By the Vedic Period the ratio had, for some reason, fallen to 2 to 1, that is, silver had fallen 50 per cent in relation to gold. Then was taken the momentous step; gold and silver separated then, never again to be united. After that it was simply a question of degree. In the Brahminical Period the ratio had fallen to 5 to 1, a further fall of 60 per cent in the price of silver. In the Buddhic Period the ratio was 6½ to 1. Through the Middle Ages, according to Marco Polo, the ratio varied from 4 to 1 in some countries to 10 to 1 in others. ratio varied from 4 to 1 in some countries to 10 to 1 in others.

About 1150 the average ratio of Europe was 8 to 1; and according to Munch's History of Norway this was the ratio in that country a century later. At the time of the discovery of America the average ratio was 10\{\} to 1. But by 1600, according to Soetbeer, the ratio had fallen to 12\{\} to 1. And between 1620 and 1650, according to the same authority, the ratio had fallen to 15 to 1. This remarkable fall of nearly 25 per cent in about as many years, Soetbeer explains as being caused by the vast increase in the production of silver, "the great influx of silver that took place after 1545 from Peru, Potosi, and Mexico," and by the increased demand for gold, "due to continuous wars," and later to a "great growth in international trade," for which, as he says, "gold was a better medium thansilver." But the statement of Soetbeer in this connection to which I desire the special attention of the committee is this: tion to which I desire the special attention of the committee is this:

Nor can we believe, after repeated examination, that the rise in the value of gold is to be ascribed chiefly to mist regulations. On the contrary, these regulations are generally based on changes in the price of gold that had already taken place in the open market.

And a few pages farther on Soetbeer uses this language: Beginning with 1873, the ratio changed still further in favor of gold. is the event, analogous to the phenomena of the years 1630-1650, which has attracted so much attention from governments, economists, and business men.

racted so much attention from governments, economists, and business men. Regarding the former change in ratio, Soetbeer said that it was "not to be ascribed chiefly to mint regulations." And this later change he declares to be "analogous," or similar, to the former that is, according to Soetbeer, the fall in silver since 1873 is "not to be ascribed chiefly to mint regulations." On this point Dr. Soetbeer, the most eminent statisticiae of Germany and one of the former students of this century is a unfortunate as not to Soetbeer, the most entirent statisticiae of Germany and one of the foremost students of this century, is so unfortunate as not to agree with my colleague; but I have an idea that the sober business sense of the country will indorse the view of the former, even though it is set forth without any effort at rhetorical display, but with the single purpose of historical accuracy.

THE "COMPARATIVE BULK" PROPOSITION.

due of e reg-freedy

And now we have reached what my colleague virtually an-nounced to be the citadel of his strength, the exhibit which he vauntingly declares to be "absolutely unanswerable."

This "thing wonderful," this last reliance of my colleague's

cause, is exhibited to the eye in the following chart:

TOWNE'S C.

			120,0
MARKET RATIO OF SILVER TO GOLD. AVERAGES.	NO OF TONS OF SILVER TO I OF GOLD IN WORLD'S STOCK.	LESS THAN SILVER. 0 10 20 20 40 50 70 20 20	MORE THAN SILVER. ชีวิทพละเหลือพละแบโดยละเป็นพละเพลียมละเล
15.55 70 1	32.2	1810	
15.77 70 1	31.1	1830	
15.59 70 1	31.	1850	
15.47	22.6	1870	
15.50 17.27	18.6	1873 1880	
19.87	18.6	1890	
20.92 70 1	18.6	1891 ///////////////////////////////////	
23.72 70 1	16.1	1892 NNNNNN	
26.49 70 1		1893	
34. TO 1	16.3	1894 ////////////////////////////////////	

One's first impulse on looking at it is to inquire, What is it, and what does it mean? After a little study, the former question can be answered pretty definitely. But in declaring its "meaning" and the conclusions to be drawn from it my colleague becomes sadly mixed and contradictory

The fact which the chart is intended to exhibit is, in plain terms, this: At the beginning of the century there were 83.2 times as many tons of silver in the world as there were tons of gold, but at many tons of silver in the world as there were tons of gold, but at that time the value of a ton of gold was only 15.55 times the value of a ton of silver. In other words, when the bulk ratio was 82.2 to 1 the value ratio was 15.55 to 1. After 70 years had passed by the bulk ratio had fallen to 22.6 to 1, yet the value ratio had remained almost unchanged, being then 15.47 to 1. But by 1894, when the bulk ratio had fallen to 16.3 (that is, when there were only 16.3 times as many tons of silver in the world as there were tons of gold) the value ratio had fallen to 34 to 1 (that is, a ton of gold) is worth as much in the market as 34 tons of silver.

tons of gold) the value ratio had fallen to 34 to 1 (that is, a ton of gold is worth as much in the market as 34 tons of silver).

My colleague gives high authority for these estimates, and we shall accept them as true (though the method of drawing the chart is misleading, as I shall show later). Then arises the question, What of it? Here my colleague's confusion begins. It is very difficult to discover what inferences he does really draw. The statements of his speech are not at all clear on this matter. But as nearly as I can make out, he wishes us to infer two things; namely:

1. That, since in the first seventy years of the century the bulk ratio of the metals changed greatly, yet the value ratio changed very little, both metals having during all that time "free coinage," their relative value depends not upon their relative quantity but upon mint regulations.

but upon mint regulations.

2. That, since the bulk ratio is now about 16 to 1, the mints should be opened to the "free coinage" of both at that ratio.

No other statement of my colleague's speech, Mr. Chairman, has been received with such hilarious joy by the free-silverites as this last. They have been groping around for some time trying to find some reasonable way to justify the special ratio 16 to 1. They have

been trying to find some kind of an answer to the question, "If 16 to 1 is good and can be maintained by simple legislative enactment regardless of the commercial value of silver, why would not 8 to 1 be better, and 4 to 1 better still? And while we are at it and can do it just as well as not, why not make the ratio straight 1 to 1, giving silver precisely the same treatment as gold?" These very reasonable questions have perplexed our free-silver brethren very greatly. They saw plainly that, reasoning from their premises, the conclusion of 1 to 1 was inevitable. Nor could they see any way to avoid the further conclusion that, on this ground, copper at 1 to 1 was also inevitable. And from that to absolutely flat money is but a step. Their good sense told them that this last conclusion could not be defended; nor the one before that, providing for copper coinage; nor the one for coining gold and silver on absolutely equal terms—1 to 1. Yet these absurd conclusions were logically inevitable unless they could find some seemingly natural reason for choosing the ratio of 16 to 1, regardless of the commercial ratio. Hence their hilarity when my colleague assured them that this is to-day almost the exact bulk ratio of the two metals.

"Drowning men will clutch at straws," and the inherent weakness of the free-silver argument is clearly seen in the feverish eagerness with which its advocates, even the most prominent of them, grasp at this temporary coincidence of the bulk ratio with their proposed permanent mint ratio. In their hilarity they forget that my colleague, just before showing this courage-inspiring coincidence, had demonstrated by his chart that the relative value therefore depends on mint regulations, he evidently forgets that he himself in another part of this same speech declares:

The Government stampean not create value. Whether a coin when stamped been trying to find some kind of an answer to the question, "If 16

himself in another part of this same speech declares:

The Government stamp can not create value. Whether a coin when stamped hall be effectual to pass at the value it claims to represent will depend upon he use it can command.

WHAT IS THE TRUTH IN REGARD TO THE RATIO?

When my colleague shows that the relative value of the two

metals is not determined by their relative bulk, he wastes time in proving what every well-informed student of the subject already knows: he is simply "striking a man of straw." What he shows is, however, as usual, only a part of the truth. And in drawing his conclusions, he becomes, as we have seen, strangely mixed and contradictory. Let us try to discover and state the whole truth in this matter, both as to facts and conclusions.

The value of wheat does not depend on the value of oats. The value of each depends on conditions of its own, on the size of the crop, the demand for it, and the cost of production. Wheat and the cost of production. Wheat are both he high at the same time: they may both be low at

crop, the demand for it, and the cost of production. Wheat and cats may both be high at the same time; they may both be low at the same time, or one may be high when the other is low—their the same time, or one may be high when the other is low—their relative value is not determined by their relative bulk. The value of each having been determined independently, as suggested, their relative value or ratio may then easily be computed. And so it is with silver and gold; the value of each depends upon conditions peculiar to itself—the value of silver upon the supply of and the demand for silver, taken in connection with the cost of its production; and the value of gold bein; similarly determined. The value of each having thus been independently determined, their relative value or ratio becomes a mere matter of arithmetic.

THE WORLD'S PRODUCTION AND USE OF SILVER.

My colleague's chart, problection AND USE OF SILVER.

My colleague's chart, probably without any such intention on his part, is very misleading on two points of vital importance, in that it represents the production or average bulk of silver as constant and that of gold as having greatly diminished since 1870. How very misleading this is will be seen by the following table, taken from the latest report of the Director of the Mint, pages

Production of gold and silver in the world since the discovery of America. [From 1408 to 1885 is from a table of averages compiled by Dr. Adolph Scet-cer. For the years 1886 to 1804 the production is the annual estimate of the Mint.]

Period.	Annual averag		SILVER. Annual average for period.			
*	Ounces, fine.	Value.	Ounces, fine.	Coining value.		
1498-1820	186, 470 290, 194 273, 596 219, 906 257, 275 273, 918 206, 845 281, 955	\$3, 855, 000 4, 759, 000 5, 656, 000 4, 546, 000 4, 905, 000 5, 682, 000 5, 516, 000 5, 828, 000	1,511,050 2,899,930 10,017,940 9,628,925 13,467,635 13,596,235 12,654,240 11,776,546	\$1,954,000 3,749,000 12,952,000 12,450,000 17,413,000 17,579,000 16,361,000 15,236,000		

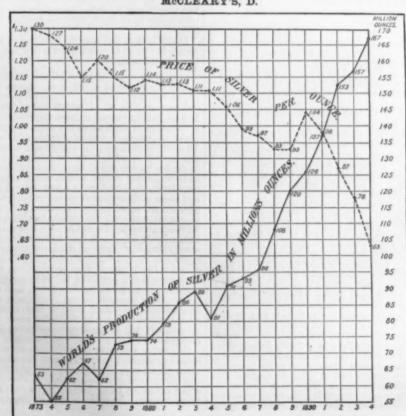
Production of gold and silver in the world, etc.-Continued.

Period.	Annual average		SILVER. Annual average for period.			
	Ounces, fine.	Value.	Ounces, fine.	Coining value.		
1681-1700 1701-1720 1721-1740 1721-1740 1741-1700 1761-1780 1781-1800	412, 163 613, 422	\$7, 154, 000 8, 520, 000 12, 681, 000 16, 356, 000 13, 761, 000 11, 823, 000	10, 992, 085 11, 432, 540 13, 863, 080 17, 140, 612 20, 985, 591 28, 261, 779	\$14, 212, 000 14, 781, 000 17, 924, 000 22, 162, 000 27, 133, 000 36, 540, 000		
1801-1810 1811-1820 1811-1820 1831-1840 1841-1830 1831-1840 1841-1835 1856-1866 1856-1866 1871-1875 1871-1875 1871-1889 1881 1887 1888 1899 1890 1891 1891	367, 957 457, 044 652, 294 1, 760, 562 6, 410, 324 6, 486, 262 5, 949, 582 6, 270, 886 5, 501, 014 5, 543, 110 4, 794, 735 5, 136, 679 5, 116, 801 5, 320, 775 5, 973, 780 6, 320, 104 7, 102, 180	11, 815, 000 7, 906, 000 9, 448, 000 13, 484, 000 132, 513, 000 138, 983, 000 129, 889, 000 125, 614, 000 115, 577, 000 116, 586, 000 99, 116, 000 100, 163, 900 100, 163, 900 110, 194, 900 123, 489, 200 146, 815, 100 157, 227, 000	28, 746, 922 17, 385, 735 14, 807, 004 19, 175, 807 25, 000, 342 28, 488, 597 29, 006, 428 35, 401, 972 43, 061, 583 68, 317, 014 98, 203, 986, 123, 586 108, 827, 606 129, 213, 611 126, 006, 023 137, 170, 919 153, 151, 762	155, 427, 700 163, 032, 000 177, 352, 300 198, 014, 400		

From the foregoing table it will be seen that the production of From the foregoing table it will be seen that the production of silver in the whole world never but twice reached \$30,000,000 a year before 1841; that by 1866-70 the annual production of silver had become almost double that amount; that by 1876-80 it had passed the \$100,000,000 mark; and that now the annual production of silver is more than seven times what it was half a century ago. During that time the population of the world has not quite doubled. That is, sir, while the world's population has increased at the rate of about 2 per cent a year, the annual production of silver has increased by 600 per cent! In other words, to use a favorite method of theirs, the "per capita" of silver has increased at the rate of about 2 per cent a year, the annual production of silver has increased by 600 per cent! In other words, to use a favorite method of theirs, the "per capita" of silver has increased at the rate of about 2 per cent! In other words, to use a favorite method of theirs, the "per capita" of silver has increased the programment and production of silver has increased the per capita. enormously; so we would naturally expect an enormous fall in

The following chart, prepared by my good friend from North Dakota [Mr. Johnson], exhibits to the eye the increase in its production and the decrease in its price since 1873:

McCLEARY'S, D.



From this (remembering also that the cost of production has greatly decreased) we see that the fall in the price of silver has not been as great as we would naturally expect. How is this accounted for? This wonderfully sustained price of silver can be accounted for in only one way, namely, by an enormous increase in the use of silver. This has taken place in two directions:

1. In the arts. It is a matter of common information that in conditions of life where plated silverware was a luxury twenty-five years ago, solid silver is now common; and excellent plated silverware is now used in conditions of life where such a thing

silverware is now used in conditions of life where such a thing as silverware of any kind was not dreamed of then. The use of silver in the arts has increased in the last quarter of a century several hundred per cent; which is, by the way, another evidence

of a higher standard of living among the people.

2. As money. In this connection I invite attention to the following letter from the Director of the Mint:

Theasury Department, Bureau of the Mint, Washington, D. C., February 11, 1896. Sin: Beplying to your verbal inquiry of to-day, I would make the following

statement:
The value of all silver coins used as money in the world in 1873 I estimate to have been \$1,816.565,657, and in 1894 about \$4,000.000,000.
The amount of gold coin in the world in 1873 was estimated to have been \$3,044.547.800, and in 1894 about \$4,250,000,000.

Respectfully, yours,

Respectfully, yours,

Director of the Mint R. E. PRESTON, Director of the Mint.

Hon. J. T. McCleary, House of Representatives, Washington, D. C.

And, as the latest report of the Director of the Mint shows (page 41), of this vast amount of silver now used in the world as money \$3,439,300,000 has full legal tender!

That is, Mr. Chairman, there has been added to the full-tender silver money of the world in the last 22 years an amount equal to the accumulations of all the ages up to that time!

In view of these facts, it is simply trifling with words to say that silver has been "demonetized"; and to say that "half our money has been struck down" is, plainly, to tell an unmitigated falsehood. falsehood.

falsehood.

PRODUCTION AND COINAGE OF SILVER IN THIS COUNTRY.

On page 242 of the report above cited will be found the production of gold and silver in the United States by years since 1834, the production for the forty-two years before then being bulked. For the forty-two years from 1792 to 1834, our production of silver as "insignificant." Up to 1860 it aggregated \$1,650,000, or about \$61,000 a year! Think of it! The total production of silver in the United States through all our history as a nation up to 1860 was less than \$2,000,000! We produce now three times as much silver every month as we produced altogether in all the years before the war, and yet there are those who "sit and grieve and wonder" at the fall in the price of silver! Our annual production of silver is now and has been for years more than a thousand times as great as it was before the war, and yet there are leaders among the silverites who find it necessary to malign human nature and attack silverites who find it necessary to malign human nature and attack the memory of good men in order to explain why an ounce of silver is not worth as much now as then! Oh, Mr. Chairman, it is piti-ful, that men should be robbed of that which more than anything brightens and sweetens life, faith in our fellow-man, in order to afford the free-silver cause even the slightest reason for exist-

And now let us see what the United States has done in the way And now let us see what the United States has done in the way of using silver as money. The total coinage of silver in our mints from 1792 to 1834 was \$43,009,000 (or about \$1,000,000 a year), about one-third of which remained in the country in 1834. In the next thirty-eight years, up to 1873, our silver coinage was \$103,570,000, or about \$2,600,000 a year. Up to 1853 scarcely any of the silver that was coined remained in circulation in this country, because the coins could be disposed of to better advantage elsewhere. And both silver and gold retired from circulation in 1861. During the five years when the act of 1873 was the law we coined silver and gold retired from circulation in 1861. And both silver and gold retired from circulation in 1861. During the five years when the act of 1873 was the law we coined silver to the value of \$79,120,771. This was at the rate of almost \$10,000,000 a year, or more than six times the highest average annual coinage before that time. This was under the muchdiscussed act of 1878, mind you! Our total coinage of silver since 1873, up to and including 1894, has been (above cited report, page 49) \$538,444,467. This is an average of almost \$25,000,000 a year, or ten times the highest average annual coinage before 1873! And of this coinage, the vast sum of \$431,320,457 is in the form of dollars, every one of which is full legal tender. Such an enormous coinage of silver was never dreamed of in the world before.

And yet the producers of silver are not satisfied; but to-day.

coinage of silver was never dreamed of in the world before.

And yet the producers of silver are not satisfied; but to-day, with an arrogance that even they themselves must despise us for enduring, they declare that no important legislation shall be enacted unless the nation's representatives bow down before them and obey their behests. Claiming to possess superior patriotism, they are using their best endeavors to destroy the nation's credit, which is the breath of its nostrils; and they boldly declare that until they get what they want the country shall be denied the income demanded by its daily needs. Realizing the utter weakness of their alleged arguments, knowing that their opportunity for

mischief will soon be gone forever, they are revealing by their acts, sir, the extent of their desperation. [Applause.] If I had not determined, Mr. Chairman, to preserve throughout this presentation a judicial frame of mind, I would like to characterize in fitting terms this flagrant abuse of a sacred trust.

Why, sir, if we were not accustomed to such exhibitions of their recklessness and selfishness, our people would rise and demand that these representatives of a wealthy and insolent private interest be relegated to the positions of obscurity and impotence which

be relegated to the positions of obscurity and impotence which they have so amply earned. [Applause.] And, sir, if the issue shall be squarely made at this coming election (as I trust that it shall be squarely made at this coming election (as I trust that it will be) the free-silver cause will meet its Waterloo, and will no longer embarrass our onward march in prosperity and peace. [Applause.] Perhaps they fancy, sir, that they can force another "compromise," by which the Government, at their dictation, shall undertake to furnish a market for their entire product, as was attempted by the silver act of 1890. But, sir, the day of such folly has gone forever. [Applause.] But if the principle that the Government may properly engage in the warehouse business and undertake to furnish a market for the product of any class of people is again to be recognized, I shall insist, sir, that the miners now stand aside and let the farmers have whatever benefit them as the farmers have be in such enactments. [Applause.] But, sir, the farmers may be in such enactments. [Applause.] But, sir, the farmers are too intelligent and independent to ask for such legislation, and the miners must get along without it, as other people do.

THE GREAT INCREASE IN GOLD PRODUCTION, AND WHAT IT MEANS,

But some one might properly ask in this connection, "Has not the output of gold increased also?" The answer is, "Yes, enor-mously." Let us see how great the increase has been, and what

conclusions are to be drawn therefrom.

conclusions are to be drawn therefrom.

By reference to the table showing the production of gold and silver in the world since 1492, given above, it will be observed that the production of gold was very small up almost to the close of the first half of this century. Up to 1848 the world's annual production of gold never but once reached \$14,000,000; while in this last half century it never but once fell below \$100,000,000. The world now produces more gold every month than formerly in a year! In other words, sir, the world's production of gold in these last fifty years exceeds by far its entire production for the preceding four hundred years! This is the fact hinted at in my colleague's chart, but not clearly brought out. And the annual production of gold alone is now more than four times as great as was the production of both gold and silver up to 1840! This is the fact, sir, which has sounded the death knell of the free coinage of silver. This is the mighty fact partially brought forward by my colleague as his final reliance in this controversy, but which will be to his cause, sir, like the mighty sword carried into battle by Goliath, the foreordained instrument of its destruction.

In order that this may be thoroughly established, it will be necessary for us to turn aside for a few minutes and consider one or two related matters.

"MONEY OF FINAL REDEMPTION."

"MONEY OF FINAL REDEMPTION."

The advocates of silver free coinage have a great deal to say about "primary money," "ultimate money," and "money of final redemption," by all of which terms they mean the same thing. Let us briefly consider these expressions. In a monetary sense, redemption is final when the man in possession of the money, or about to receive it, has or gets the kind of money that he prefers. To illustrate: If you have five cents coming to you in change, and can have it in gold, silver, or nickel, which will you take? Gold in such a case is out of the question; the piece would be so small as to be hardly visible, and it would require too much care to prevent losing it. And so, in a less degree, with silver. Your choice and mine and everyone's would be nickel. Up to five cents, then, nickel is money of final redemption. How about twenty-five cents? If you were offered five nickels in change, would you accept them without protest? Probably so. But we are plainly reaching the sum where, if compelled by necessity to accept nickels, you would avail yoursel? of the first good opportunity to convert them into a more convenient form of money. To review: Up to five cents nickel is the money of final redemption; that is, no desire is felt exchange it for (or have it "redeemed" in) any other form of money. But at twenty-five cents, it is simply a money of final redemption; one will accept it willingly and hold it until used to buy something. And beyond that sum we soon reach a point where nickel will not be willingly accented, and if accented from buy something. And beyond that sum we soon reach a point where nickel will not be willingly accepted, and if accepted from necessity it will at the first opportunity be changed into (be "redeemed" by) a more convenient form of money.

Following a similar investigation as to silver, we shall find that it is the preferred money in sums ranging from about twenty-five cents up to, say, five dollars. Within these limits we prefer it to any other form of metallic money; that is, within these limits we make no effort to exchange it for (have it "redeemed" in) any other money. In other words, sir, up to five dollars silver is pri-

mary money both in law and in fact. Suppose, however, that you had a hundred dollars coming to you, say at a bank in payment of a check, would you like to have one hundred silver dollars counted out to you? The most ardent free silverite would resent an attempt of the bank to make such a payment. The law of the land authorizes it, for silver dollars are legal tender to any amount; but the higher law of human preference and business courtesy forbids the banker to avail himself of his legal right. What I desire to emphasize, Mr. Chairman, is this: If silver is not "money of final redemption" beyond five dollars, it is not any fault of the law, for in law silver dollars have unlimited legal tender. It is due to that principle in human nature which makes people prefer something more convenient. And this preference, sir, is something beyond Congressional control. The banker above referred to, because he desires to retain your custom, makes it a point to furnish you the kind of money which will best suit your convenience. Because of this natural preference for the most convenient money, for these purely business reasons, the coin used in all large payments requiring the use of metallic money is gold, because it is much more convenient than silver to count and to carry. We need both silver money and gold money, each to perform the work for which by its nature it is best fitted. That is what we on this side are contending for.

THEORETICAL VERSUS PRACTICAL BIMETALLISM.

This brings us to the consideration of a matter on which my colleague lavished a good deal of valuable time. He tried to establish a definition of bimetallism that would give his case some standing in court. And then in a brave tone of voice he declared that "a large majority" of the "common people" (whatever is meant by that expression) favor "bimetallism." As usual, he fails to tell the whole truth, namely, that every person favors bimetallism; that is, everyone desires to have both gold money and silver money in circulation, each performing its natural and proper function. We differ only as to the means or method of attaining the desired end. The advocates of the unlimited coinage of silver say, "Open the mints to the free coinage of both metals, then they will both be coined, and both will circulate as money." But though every country in Europe and America has tried this experiment, though some are still trying it, the advocates of this method can not point to a single instance in which their method has ever succeeded. As we have already seen, France had, with her mints open to both metals, first a circulation of silver up to about 1850, and then a reversal to gold only. Our own experience here in the United States has been the same. Our coinage ratio of 15 to 1, from 1792 to 1834, overvalued silver and undervalued gold, so during those years, at least the last twenty of them, our circulation consisted of silver and no gold. The change of ratio in 1834 and 1837 to 15.98 to 1 (commonly spoken of as "16 to 1") overvalued gold and undervalued silver, and silver gradually retired from circulation as money. No one would part with 371.25 grains of silver (the amount of pure silver in a dollar) for 100 cents as money when he could sell it for 103 cents as bullion.

And this has been the experience of every nation that has ever tried the experiment. A double standard is, therefore, an alternating standard. It is not bi-metallism, but one-at-a-time-metallism.

OUR COINAGE ACT OF 1853.

In the later forties and early fifties this country was so stripped of its silver coin that there was serious embarrassment in business from the lack of "change." Trying to supply this lack of change, Congress in 1849 authorized the coinage of gold dollars; but the pieces were too small for practical use. So great was this embarrassment that farmers, merchants, and all classes of business men patitioned Congress to devise some way to secure the concurrent circulation of both gold and silver coin, for that is what the people want. After much discussion of the subject Congress succeeded in 1853 in framing a law which gave for the first time in our history the circulation of both metals side by side. The method was this—the only method ever devised by the wit of man that has succeeded:

1. That one of the metals (gold) should have unlimited coinage and tender. Gold was chosen for the simple reason that, as before indicated, it is the coin in which people prefer to make all large

2. That the coins for fractions of a dollar (halves, quarters, etc.) should be reduced in size (so that there would be no temptation to melt them down or sell them for bullion), their coinage to be on Government account only, and their legal-tender quality limited to five dollars.

It may be noted, parenthetically, that nothing was done with the silver dollar. It was not mentioned in this bill. It was out of use, and no one segmed to care anything about it

of use, and no one seemed to care anything about it.

This gave us the concurrent circulation of both metals up to the breaking out of the war, when both gold and silver retired from circulation.

What the people want is the use of both metals, each in the way that will best serve their purposes. They want the actual

circulation of both, not simply the promise of it. You free silverites offer them a method that has always failed, and in the nature of things always will. We offer a method that has never failed, and that is why it has been adopted by all the leading nations of the world. You offer a law permitting both to be coined, hoping that both will be. We offer a plan whereby the desired result is secured with certainty. Yours is the bimetallism of the statute book. Ours is the bimetallism of the countingroom. Yours is theoretical bimetallism. [Applause.]

AN ILLUSTRATION AND ITS APPLICATION.

To illustrate in another way: We all want the navigation of both Lake Erie and Lake Ontario. You can get from Erie to Ontario by either of two courses—by the Niagara River or by the Welland Canal. One of these routes is "free," natural, ever flowing. It has beautiful scenery, and the motion is swift and exhilarating. The other was dug out laboriously by the hand of man, guided by experience. It is plain, simple, commonplace. There is no poetry about it. But it is safe. It may be claimed that the sailing is just as good below the falls, but what craft could survive the trip? And if it should, how could it get back to Lake Erie? By the "free," "open" route, where the water flows without let or hindrance, it may be possible, though exceedingly hazardous, to get from Erie to Ontario. But it is only by the second route, by the "artificial" canal, where the water is confined and controlled, that we can go in either direction at will and in safety.

The illustration is apt. In no country where there is an "open" mint, "free and unlimited" coinage of both metals, is there any gold in circulation. These countries have silver money only, with all the attendant inconvenience and disadvantages. On the other hand, in every country where there is unlimited coinage of gold and limited coinage of silver, both gold coins and silver coins circulate, each performing the service for which it is by nature best fitted.

And it is a singular fact, worthy of notice in this connection, that in countries where the coinage of silver is limited by law silver is used more largely in proportion to population than in those countries where its coinage is by law unlimited. The former countries not only have and use more money, they have and use more silver money than the latter countries. And, moreover, they have and use more money of both kinds than they themselves did when they had their mints open to the unlimited coinage of both metals. In other words, sir, the plan now practiced by all enlightened nations gives the use of more money and better money than the old, discarded method of unlimited coinage of both metals, based, as Leon Say stated, on "primitive inability" to devise a better way.

THE ESSENTIAL FACTS ABOUT THE ACT OF 1873.

This brings us to a subject about which there has been a great deal of misunderstanding, one on which unscrupulous men have endeavored to stir up the passions of the people. I am glad to note that my colleague held himself above such action. Indeed, no well-informed, self-respecting man now casts aspersions on the methods or motives of the men who passed the act of 1873. But the leader of the Populist party in Minnesota, thereby confessing that he is out of arguments, has recently begun again the effort to stir up the people's passions on this subject. So I shall now give the essential facts, facts which no one fully conversant with the subject denies, in relation to the nature and passage of the muchdiscussed act of February 12, 1873.

The original bill was prepared in the Treasury Department by John Jay Knox, then deputy comptroller of the currency, under the general direction of George S. Boutwell, then Secretary of the Treasury. The laws relating to the mint had not been revised for more than a generation, and much confusion existed. This bill was largely a codification of existing law, with such improvements as experience suggested. It was introduced in the Senate April 25, 1870, accompanied by a report giving the reasons for the bill, the method of its preparation, and an explanation of every section in it. Here in my hand I hold a volume of the Executive Documents, second session Forty-first Congress; and here, in Mis. Doc. No. 132, is the original bill and the report accompanying it.

The bill, though not very long, covered the whole subject of mints and mintage. There has never been any controversy over any but two or three of the sections. To these I now invite attention

Section 14. This section of the bill specifies the weight and fineness of the gold coins, and begins with these words:

SEC. 14. That the gold coins of the United States shall be a one-dollar piece, which, at the standard weight of twenty-five and eight-tentils grains, shall be the unit of value, etc.

Sections 15 and 18 were as follows:

SEC. 15. And be it further enacted, That of the silver coin, the weight of the half dollar, or piece of 50 cents, shall be 192 grains; and that of the quarter dollar and dime shall be, respectively, one-half and one-fifth of the weight of said half dollar. That the silver coin issued in conformity with the above

section shall be a legal tender in any one payment of dobts for all sums less than \$1.

SEC. 18. And be if further exacted, That no coins, either gold, silver, ominor coinsge, shall hereafter be issued from the mint other than those of the denominations, standards, and weights herein set forth.

The report accompanying the bill discusses these sections fully, saying, among other things (page 11):

SILVER DOLLAK-ITS DISCONTINUANCE AS A STANDARD.

The coinage of the silver-dollar piece, the history of which is here given, is discontinued in the proposed bill. * * The present gold-dollar piece is made the dollar unit in the proposed bill, and the silver-dollar piece is discon-

And the discontinuance of the silver dollar is specifically pointed

And the discontinuance of the silver dollar is specifically pointed out in three other places in the report.

Throughout all the discussions of the bill, and in every form of the bill, these two provisions (that making the gold dollar the unit of value and that omitting from coinage the silver dollar of 412½ grains) remained unchanged. Sections 14 and 18 of the original bill remained absolutely unchanged, and were in the bill as finally passed exactly as they appeared in the original bill. Section 15 of the original bill was changed from time to time, as follows:

In the original bill, S. 859, introduced April 25, 1870, and favorably reported at the following assiston. December 19, 1870, it was as

In the original oill, S. 809, introduced April 25, 1870, and 1870-rably reported at the following session, December 19, 1870, it was as given above. The bill in this form passed the Senate by a vote of 36 to 14, on January 10, 1871. And the records show that Senator SHEEMAN voted against the bill, while Senator STEWART voted for it. It did not, through lack of time at the close of the Congress, pass the House at that session. But the bill was amended in the House February 25, 1871, in several ways, among which was an approximate the local tendency illustration at the second control of the constant and the second control of the constant and the second control of the constant and the second control of the second control of the constant and the second control of amendment to section 15 raising the legal tender of silver coins to five dollars, as under the act of 1838.

In the first session of the Forty-second Congress, on March 9, 1871, Mr. Kelley reported the bill as H. R. 5. Section 15 of that

bill was as follows:

Size. 15. And be it further enacted. That of the silver coins the weight of the half dollar, or piece of 59 cents, shall be 182 grains; and the quarter dollar and dime shall be, respectively, one-half and one-fifth of the weight of said half dollar; which coins shall be a legal tender, at their denominational value, for any amount not exceeding \$5 in any one payment.

This is an exact reproduction of sections 1 and 2 of the act of This is an exact reproduction of sections I and 2 of the act of February 21, 1853, except that it omits the silver 5-cent piece. On January 9, 1872, this bill was brought up in the House for discussion. Then it was found that some members wanted a dollar piece, though all agreed that it should be simply the equal of two half dollars, with limited coinage and tender. And so, when the bill as a whole had been thoroughly discussed and various amendments suggested, it was referred back to the committee January

When on February 13, 1872, the bill was reported back to the House by Mr. Hooper as H. R. 1427, it contained the following

provision:

SEC. 16. That the silver coins of the United States shall be a dollar, a half dollar or fifty-cent piece, a quarter dollar or twenty-five-cent piece, and a dime or ten-cent piece; and the weight of the dollar shall be 364 grains; the half dollar, quarter dollar, and the dime shall be, respectively, one-half, one-quarter, and one-tenth of the weight of said dollar; which coins shall be a legal tender at their denominational value for any amount not exceeding \$5.

The bill containing this provision passed the House May 27, 1872. It will be noted that the dollar introduced into the bill, as just shown, contained only 384 grains, exactly the weight of two half dollars, and like the half dollars it had only limited coinage and dollars. dollars, and five the finit dollars it had only amitted coinage and did not have "free coinage" or full tender. This is the dollar which was afterwards dropped out of the bill, and in place of which the trade dollar of 420 grains, with unlimited coinage but limited tender, was substituted.

The fourth and final form of the bill, which passed the Senate January 17, 1878, and the House February 7, 1873, and was signed by the presiding officers of the two Houses February 12, 1878, con-

tained the following provision:

That the silver coins of the United States shall be a trade dollar, a half dollar or fifty-cent piece, a quarter dollar or twenty-five-cent piece, a dime or ten-cent piece, and the weight of the trade dollar shall be 420 grains troy; the weight of the half dollar shall be 122 grams; the quarter dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

THE OLD STANDARD DOLLAR WAS NEVER IN THE BILL.

Ask the first twenty free silverites that you meet, "Did the act of 1873 ever contain the old standard silver dollar of 4124 grains"? and nineteen of them, if not all, will promptly answer, "Why, certainly, and it was surreptitiously dropped out just before the passage of the bill." Many a good man has had his righteous indignation aroused by being told this tale. And very frequently it has been told by men who sincerely believed that such was the case. The free silver leaders are responsible for this erroneous impression. They have, with a few honorable exceptions, scattered this impression broadcast, for the purpose of stirring up the resentment which would be natural if the story were true. But, as we

have seen, the story is not true. The 4121-grain dollar was never in the bill from first to last! Its omission was carefully pointed out in the report accompanying the original bill, and the reasons for the omission were plainly given. The dollar for which the trade dollar was finally substituted was a 384-grain dollar, of limited coinage and tender; and the change was made for the benefit of the gilver producers to enable them to find a market for the of the silver producers, to enable them to find a market for their silver in the East.

DISCUSSIONS SHOWING WHY IT WAS OMITTED.

That the matter was fully discussed in Congress may be seen by the following extracts from the debates.

On January 9, 1872, in reporting H. R. 5, which (like the original bill S. 859) contained no silver dollar of any kind, Mr. Kelley, chairman of the committee in charge of the bill, said:

The Senate took up the bill and acted upon it during the last Congress and sent it to the House; it was referred to the Committee on Coinage, Weights, and Measures, and received as careful attention as I have ever known a committee to bestow on any measure.

We proceeded with great deliberation to go over the bill, not only section by section, but time by line, and word by word; the bill has not received the same elaborate consideration from the Committee on Coinage of this House, but the attention of each member was brought to it at the earliest day of this session; each member procured a copy of the bill, and there has been a thorough examination of the bill again.—Congressional Globe, volume 100, page 322.

For reasons not particularly related to the question of silver coinage (one of the points of contention being the substitution of the nickel for the old silver half dime, which experience had shown to be too small a coin), H. R. 5 was recommitted to the committee, On February 13 it was rereported by the committee as H. R. 1427, and contained a silver dollar of 384 grains, as shown above. On April 9, 1872, this bill came up in the House for consideration. Mr. Hooper, in a carefully prepared speech of ten columns, explained the bill, section by section. The speech may be found on pages 2906-8, volume 102, of the Congressional Globe. Discussing the silver coins, he said: the silver coins, he said:

Section is resnacts the provisions of the existing laws defining the silver coins and their weights, respectively, except in relation to the silver dollar, which is reduced in weight from 412; to 384 grains, thus making it a subsidiary coin in harmony with the silver coins of less denomination to accure its concurrent circulation with them. The silver dollar of 412; grains, by reason of its bullion or intrinsic value being greater than its nominal value, long since cessed to be a coin of circulation, and is melted by manufacturers of silverware. It does not circulate now in commercial transactions with any country, and the convenience of these manufacturers in this respect can better be met by supplying small stamped bars of the same standard, avoiding the useless expense of coining the dollar for that purpose.

On the same day Mr. Stoughton made a speech of seven columns, in which he said (same volume, page 2308):

The silver coins provided for are the dollar, 334 grains troy, the half dollar, quarter dollar, and dine, of the value and weight of one-half, one-quarter, and one-tenth of the dollar, respectively; and they are made a legal tender for all sums not exceeding \$5 at any one payment. The silver dollar, as now issued, is worth for bullion 3; cents more than the gold dollar, and 7; cents more than two half dollars; having a greater intrinsic and nominal value, it is certain to be withdrawn from circulation whenever we return to specio payment, and to be used for only manufacture and exportation as bullion.

Mr. Potter, in discussing this part of the bill, said:

Mr. Potter, in discussing this part of the bill, said:

Mr. Speaker, this is a bill of importance. When it was before the House in the early part of this session I took some objections to it which I am inclined now to think, in view of all the circumstances, were not entirely well founded, but after further reflection I am still convinced that it is a measure which it is hardly worth while for us to adopt at this time. * * This bill provides for the making of changes in the legal-tender coin of the country and for substituting as legal-tender coin of only one metal instead as herefore of two. I think myself this would be a wise provision, and that legal-tender coins, except subsidiary coin, should be of gold alone; but why should we legislate on this now when we are not using either of those metals as a circulating medium?

The bill provides also for a change in respect of the weight and value of the silver dollar, which I think is a subject which, when we come to require legislation about it at all, will demand at our hands very serious consideration, and which, as we are not using such coins for circulation now, seems at this time to be an unnecessary subject about which to legislate. (Page 2310, volume 102.)

And Mr. Kelley (who is reported as having said afterwards that he "did not know that the bill omitted the standard silver dol-lar") said on this same day (Globe, volume 102, page 2316):

lar") said on this same day (Globe, volume 102, page 2316):

I wish to ask the gentleman who has just spoken [Mr. Potter] if he knows of any government in the world which makes its subsidiary coinace of ful value? The silver coin of England is 10 per cent below the value of gold coin, and, acting under the advice of the experts of this country and of England and France, Japan lass made her silver coinage within the last year 12 per cent below the value of her gold coin, and for this reason: R is impossible to retain the double standard. The values of gold and silver continually fluctate. You can not determine this year what will be the relative values of gold and silver next year. They were 15 to 1 a short time ago; they are 16 to 1 now.

Hence all experience has shown that you must have one standard coin which shall be a legal tender for all others, and then you may promote your demestic convertence by having a subsidiary coinage of silver, which shall circulate in all parts of your country as legal tender for a limited amount and be redeemable at its face value by your Government. But, sir, I again call the attention of the House to the fact that the gentlemen who oppose this bill insist upon maintaining a silver dollar worth 3; cents more than the gold dollar and worth 7 cents more than two half dollars, and that so long as those provisions remain you can not keep silver coin in the country.

In another place in the same speech Mr. Kelley said:

Every coin that is not gold is subsidiary. I repeat it, sir. Every coin that is not gold is subsidiary.

Speaking on another subject a few months afterwards, Mr. Stew-ART, then as now a Senator from Nevada, said (page 1392, volume 2, part 2, Congressional Record):

I want the standard gold, and no paper money not redeemable in gold.

And about two weeks later, on February 20, 1874, the same gen-tleman said (same volume, page 1677):

By this process we shall come to a specie basis, and when the laboring man receives a dollar it will have the purchasing power of a dollar, and he will not be called upon to do what is impossible for him or the producing classes to do, figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York; but he will know what his money is worth. Gold is the universal standard of the world. Everybody knows what a dollar in gold is worth.

These are the words of Senator STEWART before he became sim-

These are the words of Senator STEWART before he became simply the representative of a special interest. [Applause.]

[Here the hammer fell.]

Mr. BAILEY. I ask unanimous consent that the gentleman from Minnesota [Mr. McCleary] be permitted to conclude his

There was no objection.

Mr. McCLEARY of Minnesota. As it is now the usual time for adjournment, I assure the committee that I appreciate very highly this exceptional action in granting at such an hour unlimited extension of time. I shall try, as heretofore, not to waste

SOME EXPERT OPINIONS.

The bill was submitted to the leading experts in this country and to some in Europe. Their answers are given in Ex. Doc. H. R. No. 807, second session Forty-first Congress, a copy of which I hold in my hand. Not to weary the committee, I will give only one or two of the opinions. The document from which I take them was

transmitted to the House as a supplementary report on the bill.

Mr. J. Ross Snowden, formerly superintendent of the mint at
Philadelphia, opposed the proposition to reduce the size of the

silver dollar, saying:

THE PRESENT SILVER DOLLAR SHOULD NOT BE DISCONTINUED.

I see it is proposed to demonetize the silver dollar. This I think inadvisable. * * It is quite true that the silver dollar, being more valuable than two half dollars or four quarter dollars, will not be used as a circulating medium, but only for cabinets, and perhaps to supply some occasional or local demand; yet I think there is no necessity for so considerable a piece as the dollar to be struck from the metal which is only worth 94 cents.

Dr. Linderman, formerly Director of the Mint, discussing the provision for the 384-grain dollar (which was in the preliminary draft of the original bill presented to him), said:

Section 11 reduces the weight of the silver dollar from 4124 to 384 grains. I can see no good reason for the proposed reduction in the weight of this coin. It would be better, in my opinion, to discontinue its issue altogether. The gold dollar is really the legal unit and measure of value. Having a higher value as bullion than its nominal value, the silver dollar long ago ceased to be a coin of circulation, and, being of no practical use whatever, its issue should be discontinued.

The judgment of nearly all the experts being against the useless coinage of silver dollars "only for cabinets" of curious coins, it was omitted from the bill sent to Congress, as before shown.

THE TRUTH ABOUT THE ACT OF 1873

From the foregoing, all of which is substantiated by the contemporary records, it is clear that the bill was before Congress for about three years; that it was printed eleven times separately and twice in reports of the Comptroller of the Currency; that it was considered at length by the Finance Committee of the Senate and by the Coinage Committee of the House during five different sessions; that it was carefully debated in both Houses, the debates in the Senate occupying 66 columns, and those in the House occupying 78 columns of the Congressional Globe; and it finally passed

the senate occupying to columns, and those in the House occupying 78 columns of the Congressional Globe; and it finally passed substantially as it was originally introduced. Every feature of the bill was thoroughly explained in the original report accompanying the bill, and repeatedly afterwards in the debates on the bill itself. There doubtless were persons in both Houses who did not pay attention to either the report or the discussions, for at that time such subjects were regarded as of interest only to experts, but it certainly can not be truthfully said that they did not have full opportunity to know all about it.

So far as concerns the coinage of gold and silver, there were just two important provisions in the act of 1873, namely, the unlimited coinage of gold and the limited coinage of silver. Both of these provisions have endured and will endure; because, as I have shown already, this is the only way in which we can have the use of both metals as money at the same time. And though some very excellent gentlemen in Congress in 1878, when the wave of "free silver" threatened to overwhelm everyone opposed to it, may have said some foolish things about the act of 1873, it is a significant fact, Mr. Chairman, that not a single Republican of those quoted as saying these things, unless he lives in a silver-producing State, has ever voted to repeat the essential provisions of the act of 1873 above cited. Except as to the trade dollar (which was

inserted as a special concession to the silver producers), the act of 1873, based upon the experience of centuries, framed by men pre-eminent for ability and integrity, discussed in all its phases dur-ing the three years when it was before Congress, will be recorded in history as one of the wisest and best pieces of legislation ever enacted by the Congress of the United States. Its details may be changed, but its fundamental principles will endure. [Applause.]

WHY DIDN'T THE NEWSPAPERS SAY MORE!

Occasionally we hear a man ask, "Why didn't the newspapers say more about the act at the time of its passage?" The answer is plain. It was because of their being news-papers, not ancient histories. There was nothing new in principle or practice in the bill. It was largely a reenactment of existing law, properly codified. Why did the bill give gold unlimited coinage and tender? Because all mint laws in existence did so. Why did it restrict the coinage of subsidiary silver and limit its tender to five dollars? Because these were the provisions of the act of February 21, 1853, Why did it omit from coinage the old standard silver dollar? Because that had been the intent of the act of 1853. In 1853 the dollar was entirely out of circulation, and no attempt was made to bring it back into circulation. Why did it make the gold dollar the unit of value? Because it had really been the metallic unit since 1834. And this was the avowed intention of the act of 1853, as is shown by the following extracts from the Congressional Globe, selected from many that might be given.

In discussing the act of 1853, when it was before Congress, twenty years before the act of 1873 was passed, Mr. Skelton, of

New Jersey, said, among other things:

Gold is the only standard of value by which all property is now measured; it is virtually the only currency of the country.—Congressional Globe, volume XXVI, second session, Thirty-second Congress, page 190.

And on the same point, Mr. Dunham, who had the measure in charge in the House, said (volume and page above cited):

charge in the House, said (volume and page above cited):

Another objection urged against this proposed change is that it gives us a standard of gold only. * * * What advantage is to be obtained by a standard of the two metals, which is not as well, if not much better, attained by a single standard, I am unable to perceive; while there are very great disadvantages resulting from it, as the experience of every nation which has attempted to maintain it has proved. * * Indeed, it is utterly impossible that you should long at a time maintain a double standard. * . * Gentlemen talk about a double standard of gold and silver as a thing that exists and that we propose to change. We have had but a single standard for the last three or four years. (Gold had really been the standard since 1834, but the fact was emphasized about 1859 by the sudden and enormous increase in gold production.) That has been, and now is, gold. We propose to let it remain so, and to adapt silver to it, to regulate it by it.

These remarks on the act of 1853, at the time of its consideration.

These remarks on the act of 1853, at the time of its consideration in Congress, show that the principles of the act of 1873 had been enunciated and enacted into law twenty years before. And the remarks of Mr. Kelley in the House in 1872 ("We can not maintain the double standard," etc.) and those of Senator STEWART in 1874 ("I want the standard gold," etc.) show that at that time, before the tremendous output of silver turned men's heads, there was practically undivided opinion on the subject. The bill had been before Congress three years, it had been repeatedly discussed, there was nothing new or startling in it, and hence there was no call for any extended notice of its passage. Why, sir, the very fact that the papers made no extended report of its passage is the very best evidence, if any more were wanted, that the act was neither novel nor vicious. The Reporters' Gallery has always included men representing all shades of opinion, men nowhere surpassed for intelligence, honesty, and alertness. Had there been anything wrong in either the matter of the bill or the method of its passage, these things would surely have been discovered and reported by These remarks on the act of 1853, at the time of its consideration these things would surely have been discovered and reported by some of these gentlemen. No, no, Mr. Chairman; the bill was passed openly and honestly. It embodies the principles of sound mintage, and it undoubtedly saved us from going to a silver basis on the resumption of specie payments. And, therefore, sir, the men who framed it and those who passed it deserve and will receive the grateful thanks of ourselves and our posterity.

A SHORT HISTORY OF COINAGE

In the evolution of money the metals gradually superseded all other commodities as the medium of exchange. Iron and copper came to be produced in such quantities that they ceased to be "precious metals," and gave way to silver. In the course of time, as civilization and the demands of trade required it, gold was introduced into one country after another. In this evolution a nation's needs and progress can be pretty accurately determined

nation's needs and progress can be pretty accurately determined by noting the kind of money used by it.

At first the metals passed by weight. To save the trouble of carrying scales and the danger of being cheated by means of alloys, the custom gradually grew up of having the ruling prince cut the metals into pieces of convenient size and shape, and stamp on one side of the piece its weight and fineness (and later on its worth), and on the other side the features of the prince as the author of the

stamp. This was the origin of coinage.

But princes were sometimes tempted by their greed or their need to put into the coins less of the metal than they should. Then, in order to compel people to accept these debased coins in payment

of obligations, the princes decreed that the coins must be accepted. This was the origin of what is known as "legal-tender" laws.

For hundreds of years the money of Rome was copper. We have a memento of that time in our English word "estimate." The Latin for copper is "aes," and to estimate literally means to give the value in copper. About 300 B. C. copper was dethroned and silver became the standard money. About 150 B. C. gold began to be used in Rome as money. With the fall of Rome, Europe was for about five centuries almost entirely without gold money, the currencies of mediaval Europe being of silver and copper. was for about five centuries almost entirely without gold money, the currencies of mediaval Europe being of silver and copper. The reintroduction of gold coinage began at Florence, Italy, in 1252, with the coinage of the florin. As a result of the Crusades, the commerce of Florence, Genoa, Venice, and other states lying along the Mediterranean had so increased as to demand the use of a more convenient money than silver. Gradually other nations, as their commerce became great enough, introduced the nse of gold money with silver money. The Crusades not only enlarged trade along the Mediterranean, but they also opened up to Europe the then only gold-yielding districts—the Crimea—so that the demand for gold money and the source of supply came together. The use of gold was thereby both necessitated and made possible.

Then began the coinage of both metals. Then began, too, as a consequence, the monetary troubles with which the history of the next five centuries abounds: the alternation of silver money and gold money, the frequent changes in the ratio in the vain attempt to keep both, the edicts against shipping out either kind of coin, the execution of prominent merchants for seeking gain by exporting the metal undervalued in the mints of one country and overvalued in the mints of another. These "open mints for both metals" were not in consequence of any theory of "bimetalism," but of what Leon Say, quoted before, so aptly characterized as "the primitive inability of the legislators to combine together the two precious metals otherwise." Oresme, Copernicus, Gresham, and others had at different times and in different countries pointed out the source of the trouble, but the "primitive Gresham, and others had at different times and in different countries pointed out the source of the trouble, but the "primitive inability of the legislators" left the countries without a remedy. And the supply of gold and silver was so small (as will be seen by reference to the table showing their annual production) that the nations kept on, hoping against hope (as we are apt to do when we see no alternative) that somehow the open mint for both metals would give the circulation of both. But, as we have seen, these would give the circulation of both. But, as we have seen, these hopes were indulged only to be disappointed. England cut the Gordian knot in 1816, and was freed from the financial embarraesments on this score that had afflicted her. But other nations kept on in their old way, with the old results of alternating standards, losing at one time their gold and at another time their

silver. The flood of gold at the middle of this century opened the way for relief. Our own country, as might be expected from the enterprise and intelligence of our people, was the first to act. As we have seen, Congress as early as 1853 passed an act limiting the coinage and tender of subsidiary silver. France began to move in 1857, and in 1865 the countries composing the Latin Union adopted the principle of limited coinage and tender of silver. Germany followed in 1871–1873. And the principle has now been adopted by nearly all the civilized nations of the world.

BIRTH OF THE THEORY OF "BIMETALLISM.

By reference to the table showing the production of gold and silver, it will be seen that shortly after 1870 the production of silver began to increase enormously, leaping from an average of \$55,663,000 in the period of 1865-70, to an average of \$51,684,000 in the period of 1870-75. It was at this time that the theory of so-called "bimetallism" was born. As I said before, it came into being "born of recent needs and hopes and fears." The production of silver was becoming so large that it was becoming hard to find a market for the product. This was the reason for the insertion of the "trade dollar" in the final edition of the act of 1873. The necessities of the silver producers were not yet so great that they had the audacity to propose what they did afterwards. About 1876 they began to talk about "bimetallism" and its beauties. My friend wants a definition. Let us take the Century Dictionary, than which there is no higher authority on the meaning and history of words:

history of words:

Bistory of words:

Binetallic.—This word and its derivatives are of recent origin, M. Cernuschi having been the first to use "bimetallique" in 1869 and "bimetallic" in 1878. Of or pertaining to two metals; specifically, pertaining to the use of a double metallic standard in currency.

Bimetallism.—Bimetallism pertains to the use of two metals as money at relative values set by legislative enactment; the union of two metals in circulation as money at a fixed rate. Specifically, that system of coinage which recognizes both coins of silver and coins of gold as legal tender to any amount, or the concurrent use of coins of two metals as a circulating medium at a fixed relative value.

By the first paragraph above it will be seen that the theory and the name for it were first hinted in 1869 in France, and that it did not become current as a name until 1876, when, as I said earlier, "time was ripe for its utter refutation." The definition of bi-

metallism given by the dictionary shows its essence to be "the metallism given by the dictionary anows its essence to be "the concurrent use of two metals as a circulating medium at a fixed relative value." This is the kind of bimetallism for which we contend, that method which gives the actual "concurrent use" of both metals. This is the kind that we have and which we shall keep, notwithstanding the threats or the promises of those who would have us return to an experiment that has been tried and

found wanting.

It is worthy of note that the silver miners who are behind this It is worthy of note that the silver miners who are behind this movement do not stop with the request for the opportunity to have their product converted "free of charge" into the form of money. They go further and demand (for "demand" is the word of the only party that has allowed itself to be used for the accomplishment of this scheme)—they demand that the silver coins shall have full legal tender. In plain language, they want us to arrange legislation that will permit the producer of silver to take fifty cents' worth of silver to the mint, have it labeled "one dollar," and then enable him to force his creditors to accept it as one dollar. These silver barons have now grown so bold as to want us to so legislate that they can "out-Herod" the petty princes of bygone days in debasing the currency and then forcing the people to accept it as of full value. Shall we allow ourselves to be flattered, or cajoled, or bullied into becoming their humble instruments in or cajoled, or bullied into becoming their humble instruments in this nefarious scheme?

Silver dollars are now full legal tender, but they are coined on Government account only. The Government thus gets whatever profit there may be in the coinage, and in return undertakes to keep the two kinds of coin at a parity.

THE "OPEN MINT" WOULD CREATE NO DEMAND.

One of the favorite claims of a certain class of free silverites is "The open mint would create an unlimited demand for silver, and that would restore it to its price before 1873 and hold it there. This would restore the parity of the metals, and that would result in their concurrent circulation." There are three very direct answers to these claims:

1. There is no such thing as unlimited demand for anything in the world, and no way to create such a demand. Even the fabled King Midas, who seemed to have an insatiable desire for gold, and king Midas, who seemed to have an insatiable desire for gold, and who was granted the power of turning everything he touched into the yellow metal, soon satiated himself and prayed to have the magic power removed from him. It must be remembered, too, in this connection, that mere desire for a thing is not "demand" for it in a business sense. I see things every day that I would very much like to have; but, as I can not afford to buy them, my desire for them does not constitute a business "demand" for them.

And furthermore, inasmuch as there is only a limited supply of and furthermore, masmuch as there is only a limited supply of anything, if an unlimited demand for it could in any way be created, the price of the thing would soon be "out of sight" and the thing itself would be out of reach. This talk of an "unlimited demand" is simply childish.

2. Even if silver could, by opening the mint to its unrestricted coinage on private account, be "restored to its price before 1873," that would benefit no one but the producers of silver. As we all

know, for more than a quarter of a century before 1878 standard silver money was not coined for purposes of circulation.

3. But the fundamental fallacy on this point, sir (and it seems to be entertained even by some who do not believe in the independent free coinage of silver), consists in taking it for granted that free coinage would create some demand for silver. It can easily be shown that it would not create any demand whatever.

Let us examine the matter.

What does "free coinage," as it is called, mean? It does not mean that the Government would buy any of the silver, not an ounce. The Government would simply receive the silver from its owner, stamp it, and hand it back to him. Does that create any demand for the silver?

any demand for the silver?

Buckwheat flour is now used to a limited extent for food. The demand for buckwheat flour is entirely due to this fact. Would opening a new buckwheat flour mill create any demand for buckwheat flour? Certainly not, any more than the reaping and threshing did. These are all simply steps in preparing the supply. The market must still be found in competition with other kinds of

And similarly the "open mint" would create no demand whatever for silver any more than the smelting or the mining does; these are all simply steps in preparing the supply. The demand is in the need of money of various kinds with which to make exchanges. The owner of the coin would still have to go forth and find a market for this kind of money in competition with other forms of money. The minting would, therefore, not create any demand for the silver, but would simply put it into shape to meet whatever real demand there might be for silver coin in the channels of trade in competition with other forms of money.

And, sir, because of the bulkiness of silver in proportion to its value, the demand for silver coin in actual business is very limited. As a matter of fact there is more silver coin in this country to-day And similarly the "open mint" would create no demand whatever

than can be used as coin. Experience has shown that the busine of the country needs about \$125,000,000 in silver coin of all kinds. of the country needs about \$125,000,000 in silver coin of all kinds, including minor coins. But we already have a stock of silver coin amounting to over \$500,000,000. So there is absolutely no trade demand for more silver coinage for some time to come.

And this the producers of silver well understand. Indeed, the men who framed this free-coinage amendment have embodied in it their admission of this fact. The very first paragraph of the

it their admission of this fact. The very amendment contains the following clause:

And whenever the said coins herein provided for shall be received into the Treasury, cortificates may be issued therefor in the manner now provided by law.

What does this clause show? Why, sir, a moment's thought will reveal its meaning. It is an open confession, sir, on the part of these most rampant advocates of free coinage of silver that they fully understand that no demand exists in the channels of commerce for more silver coin than we now have, and that if more silver were coined it would soon be returned to the Treasury to be stored at public expense. This clause stultifies their whole contention. [Applause.]

THE IMPORTANCE OF MAINTAINING THE PARITY.

What I have just said about silver coin coming into "competition with other forms of money" suggests the need of saying a few words about the great importance of preserving the parity or equality of our various forms of money, to which my colleague referred in such sneering terms.

referred in such sneering terms.

The Gresham law, so often referred to, is, of course, not a law enacted by any person or legislative body. It is simply the observed result of a principle of human nature. For wise reasons our Creator has endowed each of us with the instinct of self-preservation. This is the basis of the Gresham law. A short way this in the control of the contro preservation. This is the basis of the Gresham law. A short way of stating the law is this: "Poor money drives out good money." Why is this true? To illustrate, let us suppose a case: You owe me \$10. You also owe \$10 to a man in Chicago. In your pocket you have two ten-dollar bills. Let us suppose that one of these bills is good only locally; that is, it will be received without discount only in the neighborhood where you and I live; the other bill we will suppose to be good anywhere. Under these circumstances which the bills would you naturally give to me? You would networkly suppose to be good anywhere. Under these circumstances which of the bills would you naturally give to me? You would naturally give me the one having only a local value; the other bill you would reserve to send away to Chicago. Of these two bills, in other words, you would naturally send away the good one. So would

words, you would naturally send away the good one. So would I. So would anyone. And in consequence our community would send away its good money, "good anywhere," and have left only the poorer money, "good locally." This illustrates what is meant by the Gresham law.

But it is time, Mr. Chairman, for some one to embody in terse, lucid language another law of money, covering another ground. As no one else, so far as I know, has stated it, I shall offer a tentative statement, to wit: With all forms of money at a parity all will be used, each for the purpose which it will best serve.

The law just stated, like the Gresham law, rests on a principle of human nature. Since "self-preservation is the first law of nature," a little child is by nature blindly selfish. Training and experience, however, gradually teach it that due consideration of the rights and desires of others is the surest way of securing its experience, however, gradually teach it that due consideration of the rights and desires of others is the surest way of securing its own rights and having its own desires gratified. Even if prompted by no higher motive, it will gradually reach the plane of "en-lightened selfishness." One of the forms of this is business cour-tesy. By reason of this courtesy, if all forms of money are kept equal in value, "at a parity," each person doing business will make it a point to pay out the kind of money which will be most acceptable to the person receiving it. acceptable to the person receiving it.

And therefore, Mr. Chairman, because we believe that each

kind of money—silver, gold, and paper—has a function to perform in our business life which it can perform better than either of the others can, we on this side of the question are determined to keep them all in use. This is why we attach so much importance to maintaining the parity of all our forms of money. And because this gives us the safest, the most convenient, and the most economical means of accomplishing our exchanges, we feel that we have a

right to designate it "sound money."

THE SILVER LORRY IN WASHINGTON.

The silver barons maintain here, as is well known, a large and well-organized lobby. It is under the direction of "Gen." A. J. Warner, who devotes his whole time to and receives a large salary for publishing pamphlets, addresses, circulars, etc., to advance their interests.

I know little or nothing of their methods, Mr. Chairman, aside from the fact that vast sums of money are being furnished from some source to pay for printing and publishing the literature that is poured in upon us all and distributed broadcast over the country. But I think that as a rule it is safe not to trust a man who lacks faith in others. A reasonable prudence in dealing with strangers is, of course, perfectly proper. But the men who are constantly casting aspersions upon other people are, as a rule, pretty good folks to look out for. "Doubt the doubter" is an old

and wise proverb. And the amount of vilification indulged in by these men, in words and in pictures, leads one to question the uprightness of their purposes and the character of their methods.

Knowing that they can not hope for success unless they can secure the cooperation of two great classes of people, the farmers and the workingmen, they have prepared a lot of special circulars for distribution among these two classes of people. They are also trying to make out that there is a "debtor class" among us, and are sending out circulars to try to convince men that it is all right for them to repudiate their obligations, provided they can do so under cover of law. They are insidiously trying to undermine the sense of honor that prevails in men's hearts and consciences. By deliberate falsehoods and misleading half truths about men and measures they are seeking to convey the impression that a wrong was perpetrated some quarter of a century ago, and are trying thereby to justify men to themselves for desiring to commit a wrong now. Still the majority of men will agree with the late lamented Bill Nye in the opinion that "The promise of a good man may be written in snow, but no ironclad agreement engraved on brass can avail against the intangible soul of a nim-[Applause.

Let us now examine briefly a few of their argumenta ad homines.

THE INTEREST OF WORKINGMEN.

Everyone will admit that, so far as legislation can affect the matter, that system is best under which those who earn their daily

bread by their daily toil receive the best returns for their services.

The gentleman from Texas [Mr. Balley], who has just spoken, points to Mexico as "prosperous" in consequence of having the free coinage of silver. He quotes from an article in a recent number of the North American Review, written by the Mexican minister, Mr. Romero. This distinguished representative is naturally level to his cover of the victors of desired to the control of the cont loyal to his own country and desirous of making as strong a statement as possible as to her prosperity. He claims that manufacturers are making large profits. But what does he find to say about the wages of workingmen in Mexico? Listen:

Although our wages are low, there has been in recent years a marked tend-ncy to their increase.

Their wages are "low," even in silver. What about increase in rages? The most that he can claim is that there has been a "tend-ncy" in that direction; no real increase worth mentioning spenser. "If do well to "pender on these things," wages? cifically. Workingmen will do well to "ponder on these things."
The following statement appears in Bulletin No. 9, 1891, of the Bureau of the American Republics:

Gureau of the American Republics:

One of the greatest evils (referring to Mexico) at the present time is the existence of a scale of wages which defies all power of reduction; which robe the laborers of all sense of dignity or feeling of association with the rest of their fellow-citizens; and having reduced them to a condition of abject abasement, deteriorates to a like extent their productive power and the measure of their ability. They are content to regard themselves as a plant or machinery which moves by extraneous aids only, and has no power of volition, and no desire to exercise it if it had.

And yet Mr. Romero finds it impossible to claim more than that there has been "a tendency" to improvement in wages.

We have before us, Mr. Chairman, a special message from the President asking us to make an appropriation to pay certain rail-roads for carrying certain people from the Mexican line to various parts of the United States. What is the story behind this? Simparts of the United States. What is the story behind this? Simply this, sir. Some of our workingmen, having been told how fearfully they were being abused under our system, and being assured that things were "booming" in Mexico, became the victims of their misplaced confidence in free-silver orators and went to Mexico. Then they learned the truth, finally coming home at public expense. How many more of our workingmen will allow themselves to be made victims of similar tales?

WHAT ABOUT JAPAN?

The awakening of Japan during these last thirty years from her sleep of ages is one of the noteworthy events of the century. has reformed her Government, changing it from the most stringent autocracy to a constitutional monarchy, with a legislature chosen in part by the people. She has inaugurated a system of public education. China will bear prompt though not cheerful witness to the fact that she has made great advances in the art of war. Would it not be rather singular, sir, if she did not also make advancement in the line of manufacturing? For years she has had companies of her brightest young men studying in this country and in Europe the most advanced ideas in all lines of knowledge and art. She has already adopted many of our inventions, and may become a serious competitor of ours. Therefore

what, Mr. Chairman?

Before answering, let me direct attention to two facts that the advocates of free coinage never tell when they are discussing the

growth of Japan:

1. Japan does not have free coinage of silver. There is no coinage of silver in Japan except on Government account. (See Muhleman's Monetary Systems of the World, page 93.) Why, then, do the advocates of free coinage of silver in this country refer to Japan as an illustration of their proposed plan? Do they not know the facts in the case?

2. But Japan had an "open mint for both metals" long enough

so that she is now really on the silver basis. Her workingmen receive their pay in silver. Her employers of labor are said to be prospering, to be declaring "very large dividends." But what about the wages of her working people? Let us see.

I have here the January Bulletin of the Department of Labor, which shows the condition of labor in Japan. Here are the wages paid, translated into our standard:

Daily rates of wages, Japan.

Occupation.	Highest.	Lowest.	Average.
Blacksmiths	90.60	#0.18	\$0.30
BricklayersCabinetmakers (furniture)	.88	. 20	. 33
Cabinetmakers (furniture)	.53	. 17	.80
Jarpenters	.50	.20	.80
Carpenters	. 55	.17	.80
Compositors	.83	.10	.29
loolies or general laborers	. 33	.14	. 20
lotton beaters	.45	. 13	. 23
Dyers		.05	. 25
Farm hands (men)		.16	. 19
farm hands (women)		.06	, 19
acquer makers	. 58	. 15	. 29
Matting makers	.50	.20	.80
Oil pressers	.84	. 16	. 25
Paper hangers	.00	. 20	.31
Paper screen, lantern, etc., makers	. 55	.20	.31
Porcelain makers	.50	. 13	. 29
Pressmen, printing	.70	.11	. 26
Roofers	.00	, 20	. 29
sauce and preserve makers	.40	. 10	.24
Silkworm breeders (men)	. 50	.10	. 20
Bilkworm breeders (women)		.05	.17
tonecutters	. 09	.00	.88
Tailors, foreign clothing	1.00	.25	.49
Failors, Japanese clothing	. 56	.15	.99
l'ea makers (men)	.80	.15	.81
Pobacco makers		.11	. 29
Weavers		.07	. 16
Wine and sake makers	.50	.15	.2
Wood sawyers	,50	.13	. 0

Here	are :	the	month	lv	Wages	naid	in	certain	lines:

Ferm hands (men)	\$1.44
Firm hands (women)	1.20
Silkworm breeders (men)	1.92
Silkworm breeders (women)	. 96
Weavers (women)	. 96

And the report tells us further:

And the report tells us further:

Factory labor is paid even less than these prices. Middleton & Co., one of the most prominent tea-shipping houses in Japan, employ in their establishment a large number of persons, men and women, who work from 5 o'clock in the morning until 6 o'clock a tnight, with three intervals, at \$1.2, and 3o'clock, respectively, when they eat their rice and what other refreshments they bring with them and rest for twenty minutes or a half hour. The highest wages paid by the Messrs Middleton are 42 sen a day, which is equivalent to 21 cents in United States currency. This is received by men who are experts in handling tea and have acquired their proficiency by natural ability and long years of experience.

The lowest wages are paid to young boys and girls who pick over the tea leaves to remove the stems and other foreign substances. They receive 13 sen (6) cents) a day for about twelve hours' work, not including their resting spells.

Of the entire force in the establishment, 20 are paid 21 cents (United States

of the entire force in the establishment, 20 are paid 21 cents (United States Currency) a day, 90 are paid 18 cents, 50 are paid 15 cents, 335 are paid 12 cents, 278 are paid 10 cents, 5 are paid 9 cents, and 30 are paid 6; cents—and they board themselves.

Mr. E. J. Smithers, our consul at Hiogo, says, in the Consular Report for June, 1894, that the insuperable obstacle to the introduction of American flour is that the great mass of the Japanese are too poor to buy it. This reveals their situation. And this is what free-silver advocates "point to with pride" as the fruit of their system. This is the feast to which they invite American workingmen.

HOW ABOUT AMERICAN WORKINGMEN?

And now let us see how the situation of workingmen in this country compared in 1890 with that during the so-called "bimetallic times.

From the famous Senate report on Wholesale Prices, Transportation, and Wages, before referred to, I take the facts for the following table of wages in leading occupations every tenth year for some time before the war, when we had our mint "open to the free coinage of both metals," in comparison with wages in 1890, a sixth of a century after we finally adopted our present system of unlimited coinage of gold and limited coinage of silver:

Occupation (per diem).	1840.	1850.	1800.	1800.
Plasterers Blacksmiths Blacksmiths helpers Blacksmiths helpers Painters Wheelwrights Carpenters Engineers Firemen Laborers Machinists Watchmen	\$1.50 1.50 .834 1.25 1.25 1.29 2.00 1.25 .81 1.45 1.10	\$1.75 1.50 .884 1.25 1.25 1.41 2.25 1.64 1.55 1.04	\$1.75 1.50 .834 1.25 1.25 1.52 3.00 1.76 1.76	\$3, 50 3, 00 1, 75 2, 50 2, 50 1, 94 4, 25 1, 65 1, 25 2, 19 1, 55

Railroads (per diem).	1840.	1850.	1300.	1890.
Baggagemen Brakemen, freight Brakemen, passenger Carpenters Conductors, freight Conductors, passenger Engineers, locomotive Firemen, locomotive Foremen, masons Painters	\$1.53 1.00 1.15 1.22 1.66 2.11 2.14 1.06 2.50 1.50	\$1.53 1.00 1.15 1.33 1.68 2.30 2.15 1.15 2.50 1.43	\$1.91 1.16 1.25 1.30 1.61 3.19 2.30 2.00 2.50 1.32	\$2.11 1.85 2.00 2.00 2.57 3.84 3.79 2,00 4.10 2.17
Average, according to importance, for all oc- cupations, 1860 being reckoned as 100	87.7	92.7	100	168.6

There are in almost every community men who worked by the day before the war. Any young workingman who is at all taken by the glowing promises of the free silverites would do well to ask one of these old gentlemen how much he really was paid in those "bimetallic" days, and how much he could buy with his daily pay in the way of necessaries and comforts.

WILL THE AMERICAN WORKMAN ALLOW HIMSELF TO BE DECEIVED! We have seen that the condition of American workingmen has vastly improved since the days when we had free coinage of silver. It has been shown, also, that opening our mint to coinage of silver on private account would at once send us to a silver basis. Here would this affect wages and the men who earn them? Every man who earns his daily bread by his daily toil owes it to himself and those whom he holds dear to think this over carefully.

Any man who will examine daily quotations of prices as reported in the newspapers will soon discover that they change from day to day, and sometimes change very greatly in the course of a month. But every man who earns wages is familiar with the fact that they change slowly, an increase of 10 per cent in a year being

now, let us grant what the advocates of free silver claim—that going to the silver basis would "double the prices of commodities." Does any working man believe that wages would be doubled, ties." Does any workingman believe that wages would be doubled, too? Even if they should be, how much would the wage earner profit by the change? But no intelligent workingman believes for a minute that his wages would be increased by more than a small per cent—that is, while his wages might be nominally increased somewhat, the prices of the things he has to buy would be increased very much more. So the real purchasing power of a day's work would be greatly diminished. Any wage earner who now finds it hard to save a little money would find it much harder if we should go to a silver basis. if we should go to a silver basis.

All experience shows that any debasement in the money system of a country raises prices faster and farther than it does This might influence employers to consider the propriety of debasing our currency, but it is precisely the reason why workingmen should oppose it.

Let us consider for a moment why certain manufacturers are lending an ear to the silver-tongued orators.

Sir Henry Meysey Thompson is one of the leading free-silver advocates of England. He offered a large prize for the best essay on why Japan, India, and certain other silver-standard countries are pushing England so hard in her sales of manufactured goods in the East. The prize was won by Mr. Jamieson, the British consul at Shanghai, China. Here is a copy of that prize essay. Let me read a few sentences, which contain the pith the British consul at Shanghai, China. Here is a copy of that prize essay. Let me read a few sentences, which contain the pith of it: "Wages in the gold-using countries have, through the appreciation of gold, become 100 per cent dearer than they were relatively to silver wages, and the manufacturer in the silver-standard countries can obtain his labor at half the cost which he formerly paid." And it is, therefore, seriously proposed by Sir Henry and his ilk to go to the silver standard in order that labor may be obtained cheaper, the idea being that if the workmen receive the same nominal wages, or perhaps a small increase, they will not discover what has happened. Certain manufacturers in this country have had this same little scheme whispered into their ears. There are evidences, too, that some of them are thinking seriously of adopting the idea. seriously of adopting the idea.

seriously of adopting the idea.

So far as workingmen are concerned, the whole silver question is to be summed up in one query: Do you want your wages cut down? If so, vote for the free coinage of silver.

England has no defense, sir, no choice, except to cut down the wages of her workmen. I see no other way, unless she abandons her present fiscal system, for her even to prevent her Japanese and Indian rivals from invading England itself and competing with the manufacturers of Manchester right in the streets of their own city. But we have the best market in the world, Mr. Chairman; and, sir, we know how to keep it. [Applause.] It is the plain duty of every wage earner in the United States, his duty to himself, to his family, and to his country, to resolve firmly on two propositions: First, to sustain the protective tariff; and second, to oppose with all his power the free coinage of silver. "Protection and sound money"—this should be our watchword. [Loud applause.]

THE INTEREST OF PARMERS.

Except the natural desire of every American to see all of our industries prosper, and our natural anxiety to do everything reasondustries prosper, and our natural anxiety to do everything reasonable and proper to bring about that result, what possible interest can farmers have in this move of the silver miners for their own special benefit? Our broad acres yield no silver, and we have no personal interest in the problem of finding a market for it. And when in 1890 we were driven to a compromise with these men (who then as now controlled the Senate), whereby we undertook as a nation to do what we never have done for any other industry, namely, furnish a market for the whole product and more, what was the result? was the result?

These same men assured us then that the act of 1890 would "restore the price of silver and sustain it." By that act this nation obligated itself to buy every month 4,500,000 ounces of silver, or obligated uself to buy every month 4,500,000 ounces of silver, or 54,000,000 ounces each year. This exceeded by far the entire product of the country; so that we really undertook to furnish a market not only for what was then being produced, but also for all that they believed the country capable of producing. Such supreme audacity was never before exhibited, though it is equaled by what we have seen them do this session as exhibited in the action which

we have seen them do this session as exhibited in the action which brought to us the pending amendment.

What was the result of the act of 1890? There were two:

1. After a short-lived increase in price, due to speculation based on the hope that silver would advance, the price of silver (as is on the hope that silver would advance, the price of silver (as is shown by my colleague's own chart) fell faster and farther than ever before in history. Why was this? Simply because our production of silver, which had averaged annually 34,000,000 ounces for the ten years just preceding the passage of the act, leaped to 54,000,000 in 1891 and to 62,000,000 in 1892, and seemed capable of almost indefinite expansion.

2. The second and immensely greater result was the financial content of the process of the proce

panic of the spring and summer of 1993. The repeal of the purchase clause of the act in August, 1893, ended the panic, though other causes have continued with us the industrial depression. In the spring and summer of 1893 it was almost impossible to borrow money on any kind of security. After the repeal of the purchase clause men with good security could borrow all the money that they wanted. No one now desires to borrow for the purpose of investment, or to invest even when they do not need to borrow therefor. As I said, the panic subsided, but the business depres-sion still continues. There is plenty of money for investment, but no one dares to risk it.

These were the deplorable results of yielding to the dictation of the silver barons in 1890. And similar in kind, but far worse in

the silver barons in 1890. And similar in kind, but far worse in degree, would be the result of yielding to their present demands. To come back to my question, What possible interest can farmers have in this problem which the silver miners are trying to solve, namely, of finding a market for their silver? What inducements do the silver producers hold out to the farmers to get them to cooperate in this scheme? They promise the farmers higher prices for their products. The sensible question which every thoughtful farmer will naturally ask is, Could they and would they keep their promise? Let us see what the chances are.

They claim that "silver would increase in value, and would carry with it the prices of farm products."

To say that there is any relation between the price of a metal dug out of our Western hills (depending for its value upon conditions peculiar to itself) and the price of any of the vegetable products

out of our western hims (depending for its value upon conditions peculiar to itself) and the price of any of the vegetable products of our fields (each of which depends for its value upon a set of conditions peculiar to itself)—to tell men that there is any relation between the prices of things so different in their nature and uses, is to insult the intelligence of those who are addressed.

But looking at it from another standpoint, let us see what the

But looking at it from another standpoint, let us see what the probabilities are that the promise could be kept.

One would think to hear these gentlemen talk that silver production is one of the overshadowing industries of this country. Let us make a few comparisons.

The total value of the silver product of the United States in 1892, even when reckoned at the price before 1873, was \$82,101,000, and this was the greatest yield in the history of our silver production (Mint Report, page 242).

According to the Statistical Abstract, page 267, the farm value of the cotton crop of this country in 1891 was \$350,000,000; that of the wheat crop was, in round numbers, \$400,000,000, and that of the corn crop was over \$800,000,000. The value of our corn crop alone was ten times the value of the silver crop of this country, and four times the value of all the silver produced in the whole world that year. Why, sir, the clucking hens of our farms produce more wealth every year than these silver miners, who so patronizingly tell the farmers what they will do for them. [Applause.]

[Applause.]
Now, let us look at some actual results. Take, for example cotton, about which these gentlemen have so much to say. Let us compare the prices of that staple under conditions as fair as possi-To compare prices that had been inflated by a period of war (as those in the early 70's were) with those at the end of along period

of peace, is not a method by which the truth can be established. Let us compare the prices for some years at the end of a long period of peace, when we had "free silver" with those during a similar period now. Let us compare the prices from 1841-1849 with those from 1885-1894.

The following table is made from data furnished by the Agricultural Department. Material for further study of the subject may be had by applying to the Department for its pamphlet on Production and Prices of Cotton for 100 Years.

Production and prices of cotton in 1841-1849.

Year.	Prices in New York.			
	Crops.	Low- est.	High- est.	Average.
1841	Bales. 1, 634, 954 1, 683, 574 2, 378, 875 2, 030, 400 2, 304, 503 2, 100, 537 1, 778, 651 2, 439, 786 2, 866, 938	Cents. 7 8 6k 5½ 5 7 7 8k 6 6 6	Cents. 11½ 10½ 8½ 9½ 6½ 13½ 13 10%	Cents. 9.50 7.85 7.25 7.73 5.63 7.87 11.21 8.03 7.55
Production and prices of	cotton in 18	85-1894.		
1885	5, 706, 165 6, 575, 691 6, 505, 087 7, 046, 833 6, 938, 290 7, 311, 322 8, 652, 597 9, 035, 379 6, 700, 365 7, 549, 817	9.7 91 91 91 101 71 61 77	10 11# 11 11- 12# 10# 89	9, 44 10, 25 10, 27 10, 71 11, 53 9, 09 7, 64 8, 24

Even a very brief examination of the above figures will reveal several significant facts. Though the size of the crop was im-mensely greater each year of the second period than in the first, the price in the latter period never fell so low as in the former, while the average prices in the second period were much higher than in the first. These are New York prices; and, as it cost less for the planter to get his cotton to New York in the second period, the farm price was thereby increased still further. Cotton, therefore, commands a better price to-day than when we had similar

conditions under free coinage.

Farmer friends of mine in Minnesota have told me that before the war they have hauled wheat 50 miles to market with an ox the war they have hauled wheat 50 miles to market with an ox team, occupying days in each trip, and got 45 cents a bushel for it in wild-cat money, which was in danger of being worthless when they got home. Yet in those days the mint was open to the "free and unlimited coinage of silver." [Applause.] And so I might go on, if there were time, showing the utter fallacy of the patronizing pretensions of these gentlemen. There is but one way in which the free coinage of silver could

There is but one way in which the free coinage of silver could possibly affect prices, and that is by lessening the value of the dollar. This could be accomplished in exactly the same way by calling half-dollars dollars. (If a man will feel any better over it, there is nothing to prevent him now from doing his computing in half-dollars.) This would plainly not benefit anyone, because it would affect the prices of things that farmers and others have to buy, as well as the prices of what they have to sell.

We have already seen that free coinage of silver would put the workingmen of this country at a great disadvantage. And farmers have learned in the last three years, if not before, that they can not sell if the workingmen can not buy. So that farmers as well as workingmen owe it to themselves to sustain the protective system and oppose free coinage of silver. [Applause.]

tive system and oppose free coinage of silver. [Applause.]

THE INTEREST OF MEN WHO ARE IN DEBT.

"But," says someone, "would not this cheaper dollar be of advantage to men who are in debt?"

Probably every man within the sound of my voice knows from experience what it means to be in debt. It is quite probable that most of us know exactly what it means to struggle on for years most of us know exactly what it means to struggle on for years and then lose valuable property in consequence of debts. Every one of us has no doubt often wished that we never had borrowed a dollar or bought a thing that we could not pay spot cash for. But when one can buy to-day, on the faith that men have in him, something that he believes will surely be much more valuable in the future (say farm lands in Minnesota or real estate in Duluth), he is apt to yield to the temptation, and buy more than he should. This is the chief reason why so many men are in debt in this great and growing country. Most of us have discounted the future. What is the manly thing to do under these circumstances? Shall we try to defraud the men who trusted us, if we can devise some way to do it legally? The instinct of honesty in every man's soul shouts back the answer, No.

But someone may ask, "Have not the burdens of debt been made greater by legislation?" The answer is most emphatically. No. The treatment of debtors has grown constantly kinder, especially in the last half century. In days gone by the debtor became the slave to the creditor. The State stepped in later and said that slavery of that kind should end, and as a substitute it put the debtor in prison. But in no part of this country can anyone now be imprisoned for debt, unless the goods were obtained by fraud. (In this case the man is being punished for committing the fraud, not for being unable to pay his debts.) Some States are now so lenient to debtors as to almost make the law itself a temptation to repudiate one's just obligations. The property exempt from execution is so large as to enable a person to retain quite a sing estate and yet snap his fingers at his creditors. This fact is snug estate and yet snap his fingers at his creditors. This fact is well known to almost everyone, yet it is not always thought of in this connection.

"Well," some one says, "but hasn't there been an appreciation of gold, due to the legislation of 1878?" This is the favorite claim with free silverites, and it is probably the statement which more

with free silverites, and it is probably the statement which more than any other has given their cause the recognition which it has received among men who intend to be absolutely just in all things. Let us examine this claim, therefore, fairly and squarely.

There are three phases of it:

1. That the act of 1873 was passed without due discussion, and that the discontinuance of the coinage of the silver dollar was done "snrreptitiously"—that it was dropped out of the bill during its passage through Congress. The utter falsehood of this allegation I have already shown. The act of 1873, let me repeat, never contained a provision for the coinage of the standard silver dollar, and this fact and the reasons for it were fully pointed out. I am glad to note that no man in either House, so far as I can learn, has glad to note that no man in either House, so far as I can learn, has in this debate allowed himself to refer to this story. It is repudiated by every one who has ever really investigated the matter.

2. That silver has been "demonetized," driven out of use as money. This statement sometimes takes the form of "Half our

money. This statement sometimes takes the form of "Half our money was struck down, and this doubled the purchasing power

of the other half."

It seems strange, sir, that men will believe a story that is refuted

It seems strange, sir, that men will believe a story that is retuted by daily observation.

The coinage of subsidiary silver never was suspended; and the reports of the Director of the Mint show that more silver was coined into dimes alone in the five years from 1873 to 1878 than had been coined into standard dollars in all the years of our history before 1873. The coinage of standard silver dollars was resumed in 1878, and has continued from that day to this. Moreover, every one of those dollars (over 400,000,000 of them) is full legal tender precisely as they would be if me had "free coinage." legal tender, precisely as they would be if we had "free coinage," unless the debtor voluntarily waives his right to pay in that form of money. So this phase of the free silverites' story has no substantial foundation, and has been dropped by all those whose statements are entitled to respect.

3. The third phase of the statement is the only one that is really worthy of serious consideration. "Has there not been an appreciation of gold, and is not this the cause of the recent fall in prices?"

tion of gold, and is not this the cause of the recent fall in prices?"

Even if the answer were yes, that would siginfy nothing for the advocates of free silver, for as I have already shown there was a much greater fall in prices, from 1800 to 1849, when we had the "free and unlimited coinage" of silver. So-called "bimetallism" was impotent to affect the matter then, and would be now. But what is the whole truth in this matter?

Briefly stated, it is this: The price of each commodity depends upon conditions peculiar to itself, subject very slightly to modification by the price of some closely allied product. For example, the price of oats depends primarily and almost exclusively on the supply of and demand for oats, and the cost of raising them. But the demand for oats may be influenced somewhat by a very large

the demand for oats may be influenced somewhat by a very large

or a very small crop of corn.

Anyone who will take an extended table of prices, showing the prices of many articles for a long period, month by month or even year by year, will discover the truth of what I have said. The charts used by me here this afternoon, though limited both in number of articles and extent of time, illustrate what I mean. A glance at them will show that the lines indicating the prices of different articles cross and recross each other, showing that there

different articles cross and recross each other, showing that there was no common influence governing them all, except the one pointed out by me, namely, that in times of war average prices go up while in peace the general tendency is down.

Now to the question. Since some things have fallen in price, while others have just about held their own, and the great one of all (labor) has advanced, it can not be truthfully claimed as a general proposition that there has been an appreciation in gold. Speaking of things whose prices have fallen, it may be proper (though somewhat confusing) to say that money has risen. This would be just as true with allver money as with gold money. But it is absolute error to say that the rise in the value of money is the cause of the fall in price. It is simply the result. This view is confirmed

by that of the eminent German economist, Dr. Helferich (quoted as high authority by Soetbeer), who says:

as high authority by Soetbeer), who says:

In earlier times, when there was no other medium of exchange than that which was also the measure of value, when insecurity of property and scanty development of trade prevented the use of credit, then changes in the only existing medium of exchange, a medium which stood by itself because no other commodity was in universal demand, necessarily exercised a great effect on prices. The situation is essentially different at the present time. * * The prices of commercial transactions, the less is the influence exercised in the movement of prices by gold as a medium of exchange, and the more independent is the movement of prices. * * The prices of commodities are fixed only by causes inherent to themselves (nach deren eigener Wertbestimmung) and gold is called cheap or dear according as the level of prices is high or low. Variations in the value of money are consequences of changes in the value of commodities, and not their cause.

WHAT WOULD CREDITORS NATURALLY DO!

There are some men now struggling with debt who have felt them-There are some men how strugging with debt who have felt them selves tempted to support the free coinage of silver just because it would debase our currency, or, as they say, would give us a cheaper dollar and enable those who are in debt to pay more easily. In answer to the chidings of conscience they have said: "The dollar has been raised in value by legislation, now let it be lowered for a while in the same way." If the first part of their statement were true there would be both justice and reason in their depends but as the premises are false the correlation in their demand; but as the premises are false the conclusion is no-warranted. There is only one way for an honest man to do, and that is, exactly as he agreed to do. His moral obligation is dis-charged only when he returns the kind of money that he borrowed. But if there is any debtor who fancies that the election of a free-

silver President and Congress would be of advantage to him,

let him not be deceived.

The men chosen this fall will not take their seats until the 4th of March next, four months afterwards. Unless convened in extra session, the Fifty-fifth Congress will not assemble until nine

months later still.

extra session, the Fitty-fith Congress will not assemble until nine months later still.

Let us suppose that the advocates of free silver sweep everything before them, capturing the Presidency and the House, and continuing to control the Senate. What would be the natural thing to expect? What would you do if some one owed you and you were not protected by a gold clause in the contract? You would demand what was coming to you. Every man having an obligation coming due would, in self-defense, demand all that might be coming to him while he could still get paid in money of full value. Debtors would be compelled to pay up at once or give new and better security, with a promise to pay in money of the present standard. On the maturing of their obligation they would certainly have to pay an enormous premium for the kind of money required. They would not escape making payment in money of the present standard, and would have to take their chances of getting enough more for their products to enable them to make the payment without actual loss. They certainly would not gain anything, and would take all the risk of losing—losing not only the premium which they would surely have to pay, but depending upon the forbearance of their creditors not to lose all they possess.

And what is the probability of the creditor being able and willing to grant concessions? Depositors in banks would withdraw their decessits.

ing to grant concessions? Depositors in banks would withdraw their deposits. This would compel the banks to call in their loans. The four months between election and inauguration would be The four months between election and inauguration would be strewn with the wrecks of business houses now giving employment to millions of people. Gaunt ruin would stalk through the land, visiting every city, every village, every neighborhood, carrying down to destruction the bravest and best of the captains of industry. Panic, unreasoning panic, would seize the people. We know what even the possibility of going to the silver basis did in 1893; who can compute the effect that would be produced by the absolute certainty of its early arrival? The financial storm that swept over this country in 1893 would be a gentle zephyr compared with the cyclone which would then overtake us.

Creditors, as a rule, would therefore be unable, no matter how well disposed, to grant concessions to those who were owing them.

well disposed, to grant concessions to those who were owing them. Ninety-nine per cent of those who are in debt would be swept away. We who are in debt, sir, are the ones most vitally interested in the defeat, the overwhelming defeat, of every proposal for

the free coinage of silver.

OUDLISTY OF MONEY MORE IMPORTANT THAN QUANTITY.

The plan of the free silverites, as all experience shows, would subtract from our volume of money a very large and exceedingly valuable part of it. It would diminish our money by the amount of our gold and its representatives, say \$600,000,000. Its disappearance would be immediate. What could we get in its place? The total capacity of our mints is less than \$90,000,000 a year. But we coined in 1804 about \$80,000,000 of gold alone. For the last quarter of a century our gold coinage has averaged over \$40,000,000 a year. At this rate it would take us a dozen years to catch up to our present volume of money, without allowing any catch up to our present volume of money, without allowing anything for growth. If there were nothing else to consider, sir, would not this strike any reasonable man as a foolish waste of time and energy?
Moreover, sir, we would have poorer money. The silver money

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would be bulkier and less convenient than what we have now. And it would lack in stability. And, while "money makes the mare go," we should not forget, sir, that it must be stable money. [Laughter.] Silver has become so abundant that its value can not be depended on, as we have seen especially from 1890 to 1895. So we would have less money and poorer money. And I now propose to show that the loss in quality would be the greater evil.

propose to show that the loss in quality would be the greater evil.

AN ILLUSTRATION AND THE INFERENCE FROM IT.

When I was a small boy I saw something that I shall never forget. It was at a circus. The clowns and some other employees arranged themselves in a circle. Let us say that there were twenty of them in all. Number 1 said to number 2, "I owe you two dollars; I'll pay up as soon as I can." Number 2 made this statement to number 3, number 3 to number 4, and so on around the circle, number 20 saying it to number 1. Number 1 shoved his hands into his pockets, and with a look of pleased surprise pulled out a dollar. Turning to number 2, he said, "I didn't know that I had that dollar; here's so much on account." Number 2 took the dollar, and with similar language passed it on to number 3 and so I had that dollar; here's so much on account." Number 2 took the dollar, and with similar language passed it on to number 3, and so it went around the ring. Number 20 passed it to number 1, who received it with a smile and started to put it into his pocket, but instead he turned to number 2 and said, "I didn't expect to be able to pay you the balance so soon, but here it is." And so it went around the ring, finally coming back to number 1, who with a satisfied smile put it into his pocket.

To the little boy who looked, as I did thirty-odd years ago, this was simply the funny work of clowns, to be laughed at and forgotten. It was not forgotten, however; and to the man older gotten. It was not forgotten, however; and to the man older grown and charged with the serious consideration of the affairs of a great nation it illustrates the profoundest truth in finance. What is that truth? It is this: Under proper conditions, the working power of a dollar is beyond all human computation.

I was very much surprised to hear this afternoon a man so prominent as my friend from Tennessee [Mr. McMillin] speak as if money paid for taxes was lost to circulation. I have often heard the surprise of these many dellars in existence and the surprise of the su

as it there must be as many dollars in existence as blars' worth of business to be transacted. What would there are dollars' worth of business to be transacted. What would a farmer say to an agent for bushel baskets who should attempt to convince him that he needed as many baskets as he expected to raise bushels of crop. The farmer would feel that his intelligence had been insulted, and justly so. He knows that he can use the same basket over and over again, and the quantity measured in a given time will depend on the speed with which the one handling it works. And then, if properly used, it is ready to do as much works. And then, if properly used, it is ready to do as much

So with the yardstick, the pound weight, and the dollar; each can do an almost infinite amount of work if properly used. What are the conditions of highest efficiency in money—under what conditions can a given amount of money do the most work? Let us examine our illustration.

The dollar in the circus ring did the work of forty dollars in five minutes, and was just as capable of accomplishing as much more in the succeeding five minutes. Why was this? Simply

five minutes, and was just as capable of accomplishing as much more in the succeeding five minutes. Why was this? Simply because it moved promptly.

Now, let us examine the matter a little more closely. Why did it move so? Why was each one so prompt to pass the dollar on? Because he felt good; that is, he felt honest. He felt that when he owed money and had it in his pocket the only proper thing for him to do was to pay up. Moreover, each had confidence in the other. There was a feeling of respect and good will among the men in that ring. This is one of the conditions under which money does its work most effectively.

What is the other condition? Why was each man willing to accept the dollar in payment of what was coming to him? Because he knew that it was a good dollar. He knew that whenever he wanted to use it, whether it might be that day or not for ten years, it would be just as good as when he accepted it.

Suppose, on the other hand, that each of the men had a dollar

Suppose, on the other hand, that each of the men had a dollar in his pocket, but that they distrusted each other, each fearing that if he let go of the dollar that he had he might not soon get that if he let go of the dollar that he had he might not soon get another, although money was due him; and suppose that each was afraid to accept the money of the other, fearing that it might not be good when he wanted to use it; that it would depreciate on his hands—what would be the result? Why, of course, each would keep in his pocket what money he had and each would continue to owe the other; that is, the money would accomplish nothing. In other words, sir, with good money and mutual trust one dollar did the work of forty, while with questionable money and distrust twenty dollars could accomplish nothing. In other words, sir, the quality of money is immensely more important than its quantity.

And, sir, a set of men who make it part of their plan to malign human nature and then offer us a debased currency would not only deprive us of part of the money that we now have, but they would paralyze the working power of what remained. [Applause.] They are not only morally wrong, but financially unwise. They and their policy are alike condemned. They offer poor money and

distrust; we offer abundant money of the best quality and well-

district; we ofter abundant money or the best quality and wellfounded confidence. Is there any doubt as to which the American people will approve? [Applause.]

To employ a figure of speech, we contend that our body politic
needs in its circulation both kinds of corpuscles, and that it needs
them both all of the time. The best that is promised by the gentlemen on the other side is that their plan will furnish them alternately; one at a time, first one and then the other. That is, sir,
they offer us a sort of chills-and-fever system, which would produce distress in life and would result in early death to business
enterprise. Our plan secures to our circulation all the elements enterprise. Our plan secures to our circulation all the elements needed for the health of the system, including both kinds of corpuscles, all of the time, and in the proportions demanded by the most vigorous life. And behind this good financial blood, to prevent stagnation, to propel it in life-giving circulation, we place the great heart, confidence—confidence in our system and in each other confidence. other, confidence in our system based on approved experience, confidence in each other based on the knowledge that, after all, men would rather do right than wrong. [Applause.]

THE DUTY OF THE HOUR.

I am profoundly grateful to the committee for its undivided and long-continued attention. Encouraged by your kindness, I have gone far beyond the scope of my original plan.

gone far beyond the scope of my original plan.

And now, in conclusion, I desire to emphasize the gravity of the situation and the necessity for plain speech. There is a kind of shrewdness, allied to cunning, which sensible and right-minded people have neither sympathy with nor respect for. It inspires in them only distrust and aversion. "What will Congress do?" is being asked all over this country and even beyond its confines. It is our evident duty to the people and to ourselves, to answer that question so plainly that no one need misunderstand our meaning. Stripped of all the sophistries by which many good men have been misled into supporting it, this project of "free and unrestricted coinage of silver on private account" is simply a bold and reckless attempt to promote a private interest at the expense of the financial peace and business prosperity of the country at large. Let us show by our vote that we fully understand this and as

Let us show by our vote that we fully understand this and as beartily condemn it.

And then [turning to the Republican side] next summer, in our national convention assembled, let us speak the word of truth so clearly as to show that our great party, born of noble purposes and glorified by great names and mighty achievements, is worthy now as in the past to control the destiny of the country so dear to us [Long-continued applause.]

Cuba.

REMARKS

HON, GEORGE H. NOONAN,

OF TEXAS,

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

The House having under consideration the following resolutions:
"Resolved by the House of Representatives (the Senate concurring), That, in the opinion of Congress, a state of public war exists in Cuba, the parties to which are entitled to belligerent rights, and the United States should observe a strict neutrality between the belligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

ernment of the United States should use he good of the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples, the present war is entailing such losses upon the people of the United States that Congress is of opinion that the Government of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary in the consequence of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary in the consequence of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary in the consequence of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary in the legitimate interests of the United States and the comment of the United States should be prepared to protect the legitimate interests of our citizens, by intervention if necessary in the legitimate interests of the United States should be prepared to protect the legitimate interests of the United States should be prepared to protect the legitimate interests.

Mr. NOONAN said:

Mr. Speaker: I wish to state as briefly as possible my reasons for supporting the resolutions of the Committee on Foreign

Spain is justly tenacious of her colonial rights, and she has proudly referred to Cuba as the "ever-faithful isle."

On the other hand, the citizens of Cuba have of late years become restless and dissatisfied with their political status; so much so that they do not disguise the fact that the present struggle is to sever their fealty to the parent country and to become an independent state.

It is true the movement was at first considered merely an insurrection—only one of those political eruptions that have hitherto

become chronic in Latin America. This contest, however, can no longer be considered in that category. The vast multitude of news-reading people of this country, in view of the facts published during the past year, are unanimous in their conclusion that real war exists upon the island; that it has acquired such proportions as to resist with armed forces the movements of the troops sent

to subdue them, and those troops have been frequently defeated.

The people of this country are appalled at the bloody, cruel deeds daily committed in the cities and towns of that once prosperous and peaceable country. Now, while no one will question the right of Spain to force submission to her rule, I contend that we as Americans have the right to protest against all kinds of sav-agery invoked to accomplish that purpose. When we are satisfied from all of the facts connected with this revolt that the people of Cuba have repudiated Spanish rule and have established for themselves a government, such a condition of affairs and to be themselves a government, such a condition of affairs ought to be considered a revolution, and should warrant the assumption by the Government of the United States that the revolutionists are entitled to all of the rights and privileges accorded to beligerents. Such a course adopted by the United States is due to the people of any country similarly situated. It is simply the recognition of a fundamental rule respecting combatants that brought our nation into existence. It should be acquiesced in by Spain without equivocation or reservation, and can not be deemed an unfriendly act. We have no grievance with Spain, and would not be a party to any injustice or to the exercise of any doubtful authority with respect to her colonies.

The history of the acquisition of this and adjacent territory is our heritage, and the incident related by early writers of that grand drama where the generous Isabella assists the great navigator of the New World is cherished by every American as one of the noblest acts of royalty. On this question we are not called upon to decide the vital issue between the Government and its probability. people. We see the inhabitants of that country, speaking the same language and professing the same religion, have announced their intention to repudiate the rule of the Cortes on account of wrongs and misrule inflicted upon them, and they claim that their contest is for the exercise of self-government, and all that they ask from us is to have conferred upon them the same privileges that were conceded to us in our struggle with Great Britain. It is useless to multiply words on this topic; the whole world it familiar with the tragic events of the past year, and it has been clearly demonstrated to every candid person that the Cubans are entitled to all of the rights of belligerents.

Coin Redemption Money vs. Irredeemable Paper Money-Practical Bimetallism vs. Silver Monometallism.

SPEECH

HON. WILLIAM E. ANDREWS.

OF NEBRASKA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and awing under consideration the bill (H. R. 2904) to maintain and protect the bin redemption fund, and to authorize the issue of certificates of indebtedems to meet temporary deficiencies of revenue—

Mr. ANDREWS said:

Mr. CHAIRMAN: I am in favor of the coinage of the silver product of the mines of the United States into standard money side by side with gold, upon such conditions as will firmly maintain the parity of values between gold and silver dollar with dollar. If a clear and distinct proposition looking toward this result were before us, would most gladly cast my vote in favor of its passage. But the measure that is before us now, in the form of the Senate substitute and the amendments proposed thereto, would, in my judgment, fail to accomplish the result to which I have referred. If the coinage could be limited to the product of our own mines and then the amendment offered by the gentleman from Pennsylvania [Mr. Brumm] could be made to apply thereto, and the other portions of the Senate substitute should be stricken out, I could cheerfully accord my support to that kind of a bill when properly drawn and presented to the House. But the Senate substitute, in my judgment would, render the result to which I have referred absolutely impressible.

absolutely impossible.

The title of this Senate amendment may be appropriately and correctly expressed in these words: "An act to increase the wealth of the silver speculators of the world and compel the plain, common people of the United States of America to pay the bill."

[Laughter.] If the logical title to this Senate amendment should be expressed in words, it would read as follows: "An act to establish the expression of the United States of America to pay the bill." lish silver monometallism, to retire gold from use as money, to

reduce all of our silver money to its commodity value, to depreciate all forms of our paper money almost 50 per cent on the dollar, to contract the volume of our money more than \$1,000,000,000, and to introduce a reign of financial ruin at the ratio of 16 grains of adversity to 1 of prosperity." [Laughter and applause, Hence, Mr. Chairman, believing it to be my duty to vote for what is in keeping with the welfare of the American people, I am compelled to record my vote against this Senate amendment.

But let us review the circumstances which brought this amendment before us in its present form.

On the 20th of last December the President called upon Congress for speedy relief in behalf of the National Treasury.

This House responded to that appeal on the 26th and 28th of the same month by the passage of two emergency measures which were designed to furnish the necessary relief.

The first bill was entitled-

An act to temporarily increase revenue to meet the expenses of the Government and to provide against a deficiency.

The second was entitled-

An act to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

The first is still in the dissecting room at the other end of the Capitol, but the second has escaped with barely life enough to return to the House for treatment.

The original House bill and the Senate substitute therefor involve the consideration of two important provisions of our national Constitution-

First. Congress shall have power to borrow money on the credit of the United States.

Second. Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures

Acting under the authority delegated by the first provision, Congress has frequently authorized the borrowing of money to meet emergency demands and to strengthen and protect the credit of the Government. Accordingly, in 1875 an act was passed providing for the resumption of specie payments.

Through the operation of that law the nation made its peaceful

transition from the shadows of depreciated paper money to the clear light of financial triumph, restored national credit, and com-mercial prosperity. Shall we perpetuate the policy of specie pay-ments or shall we return to the basis of credit money from which

clear light of financial triumph, restored national credit, and commercial prosperity. Shall we perpetuate the policy of specie payments or shall we return to the basis of credit money from which we departed in 1879? If we answer in favor of a specie basis, the protection of the coin reserve becomes an imperative necessity to the safety and value of all forms of existing credit money. If we should answer in favor of a paper-money basis, we must prepare ourselves to accept all the penalties of an irredeemable paper money. Believing as I do that the interests of the American people will be best served by a financial system based upon metallic money, I cheerfully give my support to such measures as contribute wisely and necessarily to that result. That law has been the foundation upon which we have preserved the equal purchasing and debt-paying power of all forms of our money from 1879 to the present time. The country moved onward from 1879 to 1993 so prosperously and peacefully that the people had aimost forgotten that the law of 1875 was still in force. During those years there was no occasion to invoke its operations, because the wise management of public affairs by the Republican party rendered the issuance of bonds unnecessary.

In this connection I desire to call attention to the fact that the financial statistics of the United States show that the coin value of our paper money in 1867 was about 71 cents on the dollar, and that our national debt, less cash in the Treasury, was then 869.26 per capita, and the interest paid annually thereon was \$3.84 per capita. In 1873 this country was still on a paper basis, with its money at a discount of nearly 14 per cent. We were not then on a coin basis, although the silver monometallists frequently assume that we were. Please note the conditions of 1892, when our national debt, less cash in the Treasury, was only \$12.86 per capita, and every dollar of our paper money was worth 100 cents on the dollar—an average annual increase of nearly \$60.000,000 from the should be p

We had a population of 32,000,000 in 1861, and 65,000,000 in 1892. Thus it appears that, while our population had increased twofold, our volume of money had increased fivefold. Twice as many people in 1892 as in 1861, but five times as much money in 1892 as in 1861. These and similar facts of our financial history prove conclusively that the Republican policy has always been, even

conclusively that the Republican policy has always been, even under the most embarrassing circumstances, a debt-paying, creditrestoring, and money-producing policy.

It is very evident that the people see the grave mistake that was made in 1893 and will correct it at the earliest opportunity. It is firmly believed that the sale of bonds would have been unnecessare designs the past three years with a Parallel of the product of the product of the product of the product of the parallel of the product of the prod is mmy beneved that the saie or bonds would have been unnecessary during the past three years if the Republican party had been continued in power. But the Republican party, although not responsible for that mistake and its consequent misfortunes, is called upon to undertake the task of repairing the damage wrought

thereby. The revenue measure passed by this House on the 26th of last December was intended to increase receipts to an equality with the current expenditures of the Government. The House bill for which this Senate substitute is offered was designed to supplement the law of 1875 and the revenue laws to be amended by the proposed revenue bill. If there had been a Republican majority in the Senate and a Republican President in the White House, there would have been no necessity for the introduction of these emer-gency measures. Under such circumstances we could have swept would have been no necessity for the introduction of these emergency measures. Under such circumstances we could have swept the Gormanized Wilson law from the statute books by the enactment of a genuine Republican tariff measure which would furnish revenues adequate to the current expenses of the Government. Thus the way would have been wisely prepared for proper currency and coinage legislation. But with the Senate under the control of a majority composed of Democrats and Populists and a Democratic President in the White House it was manifestly impossible to enact Republican measures. Hence the Republican impossible to enact Republican measures. Hence the Republic ans of the House waived party measures and came promptly to the relief of the National Treasury and the national credit by introducing emergency measures on nonpartisan grounds. The expenses were exceeding the receipts by nearly \$43,000,000 per year, and when that distress message was sent to the House Congress and the country knew that the Secretary of the Treasury was bound to issue more bonds, whatever action Congress might or might not take. But nobody knew whether they would be sold publicly to the people of this country or secretly to a foreign syn-dicate. The proposed revenue bill would, if enacted into law, prevent a deficit and thus help to avoid the necessity of issuing bonds. But the Pepulists and Democrats who voted against that bill went upon record in favor of the continuance of the deficit and the issuance of more bonds to pay current expenses, while the Republicans who voted for that bill went upon record in favor of wiping out that deficit by an increase of tariff duties and also in favor of discontinuing the policy of issuing bonds to secure funds to pay current expenses. As bonds were bound to be issued, it was considered wise to amend the law of 1875 so that the Government could take advantage of the improvement made in its credit during the past twenty years. Accordingly, on the 28th of last December this House passed a bill to protect and maintain the coin redemption fund. That bill, for which this Senate substitute is offered, made the following provisions:

First, It simply authorizes the issue of bonds whenever it becomes an absolute necessity to protect the credit of the Government, but it does not order the sale of a single dollar of bonds.

Second. It would have enabled the Government to use shorttime, low-rate bonds instead of long-time, high-rate bonds, if it should ever become necessary to issue bonds.

Third. It proposes to place our bonds with our own people instead of foreigners.

Fourth. It prevents the sale of bonds under the resumption law

to pay current expenses.

Fifth. It guards against the retirement of the greenbacks.

Sixth. It strictly prohibits the secret sale of bonds to foreign syndicates or anybody else. Seventh. It provides for the issue of certificates of indebted-

ness to meet any temporary deficiency of revenues.

Nevertheless, the Populists and others who oppose these bills have gone upon record—

First. In favor of continuing the deficit which their votes in the Fifty-third Congress helped to create. Second, In favor of continued sales of bonds to pay current

Third. In favor of long-time, high-rate bonds instead of shorttime, low-rate bonds, even when the sale of bonds becomes necessary to protect the credit of the Government.

Fourth. In favor of borrowing money under the resumption

law to pay current expenses.

Fifth. They went upon record in favor of indorsing and permitting the continuance of secret sales of bonds to foreign syndi-

The central purpose of the House bill and the law of 1875 is to authorize the Secretary to preserve in the Treasury "coin redemption money" sufficient to protect and maintain all forms of our

the necessary coin at hand to redeem the credit money of the Government, how long would such money remain at par? Our mints might be coining millions per day for the owners of gold and silver bullion, but that would not help the Government in and silver bullon, but that would not help the Government in any way to protect its credit money. Whenever the expenses of the Government exceed its income, a depleted coin redemption fund can be replenished only by borrowing money. Fortunately, from June 30, 1865, to June 30, 1893, a period of twenty-eight years, the revenues exceeded the expenditures every year and enabled the Government to reduce the public debt within those years nearly \$2,000,000,000, an average reduction of about \$200.000. years nearly \$2,000,000,000, an average reduction of about \$70,-000,000 per year. That was Republican administration. But the deficit from June 30, 1893, to June 30, 1894, was \$69,-

803,280.58, and the deficit for the next fiscal year was \$43,805,223.18. The deficit from July 1, 1895, to February 13, 1896, amounts to \$23,102,845.48. Thus it appears that the expenditures have exceeded the receipts since June 30, 1893, \$135,711,329.24. During that same period the interest-bearing debt has been increased by the sale of bonds amounting to \$262,315,400. This is Democratic

administration.

Although the pending amendment is not germane to the House bill for which it has been substituted by the Senate, let us briefly consider it upon its merits in the light of the financial history of

Acting under the second constitutional provision mentioned, Congress formulated a monetary system and established the Government mint. In the evolution of that system, the dollar was made the unit of value or measure. That unit was to contain 100 made the unit of value or measure. That unit was to contain 100 cents of actual commercial value. Up to that point it was immaterial whether that unit should be represented by metal or some other valuable substance. But, when the act of 1792 was drafted, it became necessary to select the substance or substances that should represent that unit of value. Quite naturally gold and silver selected as the money metals, because and solely because of their inherent qualities and practical utility for such purposes. At this point, let us observe that those metals came into use as money in this country by statutory selection and not by constitutional mandate. After it had been decided that this unit, the dollar, should be composed of either silver or gold, two important questions arose, to wit:

How much silver must be put into the silver dollar? How much gold must be put into the gold dollar? These questions were answered by putting 100 cents' worth of uncoined silver into the silver dollar, and 100 cents' worth of uncoined gold into the gold dollar. Thus the gold dollar did not control the silver dollar, either did the gold dollar did not control the silver dollar. neither did the silver dollar control the gold dollar, as to the quantity of pure metal that each should contain. That matter was determined by the commercial and financial forces which made 1 grain of gold equal in value to 15 grains of silver, and 1 ounce of gold equal in value to 15 ounces of silver. From these facts it is evident that the commercial ratio determined the coinage ratio of 15 to 1, adopted by the coinage act of 1792. It is assumed here and elsewhere by the silver monometallists that the coinage ratio controls the market ratio. Alexander Hamilton spoke plainly on this point after he had carefully reviewed its national and inter-

national bearings. He said:

There can hardly be a better rule in any country for the legal than the mar-tet proportion, if this can be supposed to have been produced by the free and teady course of commercial principles. The presumption in such case is hat each metal finds its true level, according to its intrinsic utility, in the general system of money operation.

That rule is founded upon solid truth and can not be violated with impunity. It meant that the Government should receive a dollar of commercial value every time it coined a gold dollar or silver dollar for whose monetary value it thus became responsi-Then we had international bimetallism; now we do n

But, whatever our system of coinage may be, we should faithfully observe this principle which was embodied in the act of 1792, and has been reaffirmed in all of our subsequent coinage legisla tion. A correct understanding of this important principle will avoid serious misfortune and correct many false notions concerning this question of coinage. The eloquent gentleman from Iowa [Mr. Dolliver] expressed this principle tersely and correctly when he said he was willing to stake this controversy upon two great principles:

First. Every coin manufactured under free coinage will, in the long run, have the exact value of the metal out of which it is made.

Second. When a nation creates two coins of the same denomination, differing in value, it stands to lose instantly the circulation of the one which is undervalued.

Turn upon this subject the light of history and philosophy, and will have a demonstration of the correctness of his statement that these "two propositions express the uninterrupted experience of mankind and are confirmed by the testimony and authority of every great writer upon economical questions in every language paper money at par with coin. The defeat of that purpose would lead directly to a policy of "irredeemable paper money," whatever our system of coinage might be. Unless the Secretary has of a July sun unless they are drawn in harmony with the natural forces of the commercial world. A few facts cited from the financial history of our own country will illustrate this principle. Section 11 of the act of 1792 says:

That the proportional value of gold to silver in all coins which shall by law be current as money within the United States shall be as 15 to 1, according to quantity in weight of pure gold or pure silver; that is to say, every 15 pounds weight of pure silver shall be of equal value in all payments with 1 pound weight of pure gold, and so in proportion as to any greater or less quantitles of the respective metals.

The meaning of this section is so plain that it can be easily

understood.

Thus all coins, whether domestic or foreign, were to be recognized according to the principle that 1 grain of gold was equal in commercial value to 15 grains of silver, that 1 ounce of gold was equal in commercial value to 15 ounces of silver, and that 1 pound of gold was equal in commercial value to 15 pounds of silver. But notwithstanding the care with which Hamilton and his associates determined this coinage ratio of 15 to 1, it was soon discovered that both metals did not seek the mint readily, especially after 1805. About that time the divergence of the market from after 1805. About that time the divergence of the market from the mint ratio brought Gresham's law (the overvalued money metal always drives out the undervalued money metal) into operation, and before 1820 it had virtually driven gold out of use as a ation, and before 1820 it had virtually driven gold out of use as a medium of exchange in this country. Then many began an agitation against the so-called "silver bugs" and the great conspiracy against gold, although our mints were then open to the free coinage of both metals at a fixed ratio. "What should be done?" "What should be done?" "What should be done?" These were the burning questions of that day. Why had gold left our mints? The answer was soon found in the fact that gold could secure a better price in the open market and at the mints of other countries then it could secure at our mint. the mints of other countries than it could secure at our mint. A careful examination disclosed the fact that even with international bimetallic coinage the commercial ratio had become almost 16 to 1, and that the ratio of 15 to 1 undervalued gold at our mints. Accordingly the act of 1834 was passed, making the coinage ratio approximately 16 to 1 by reducing the weight of the gold dollar from 24.75 to 28.2 grains of pure gold and from 27 to 25.8 grains of standard gold.

At this point we meet a very important question, a question which underlies this whole problem. If, when we had international bimetallic coinage, the comparatively slight difference of less than 1 grain between the coin and market ratios drove gold away from our mints and out of circulation as a medium of exaway from our limits and out of circulation as a headin of schange in this country, what would be the result if, in the absence of international bimetallic coinage, this Government alone should open its mints, as proposed by this Senate substitute, to the free, unlimited coinage of gold and silver at the ratio of 16 to 1, when the difference between the coin and market ratios is approximately 16 grains instead of 1 (slightly less) grain? If a difference of less than 1 grain between the coin and market ratios produced a "silver period" prior to 1884, what would a difference of 16 grains produce period" prior to 1884, what would a difference of 16 grains produce now? The history, the philosophy, and experience of the world answer with a unity of testimony, "Irresistible silver monomet-allism." Hence a vote in favor of this Senate amendment is a vote alism." Hence a vote in ravor or this senate amendment is a vote for silver monometallism, and those who favor its passage are silver monometallists and not bimetallists. Believing that the interests of the people of this country will be best served by the concurrent use of both gold and silver, with equal purchasing and debt-paying power, dollar with dollar, I am compelled to cast my vote against this Senate amendment, which would, if enacted into the property of the people of the peopl law, result in irresistible silver monometallism. But this act of

law, result in irresistible silver monometallism. But this act of 1834 did not settle the question permanently.

Within this period of forty-two years preceding 1834 our mints had coined \$11,900,000 of gold and \$36,400,000 of silver, three times as much silver as gold, but the gold had gone out of circulation because of its former undervaluation at the coinage ratio of 15 to 1. Now note the effect produced during the next twenty years by the coinage ratio of 16 to 1. From 1834 to 1853, inclusive, the coinage was \$264,000,000 of gold and \$52,000,000 of silver, five times as much gold as silver. Silver found a better price in the open markets and at the mints of other countries, and hence did not readily seek our mints for coinage.

not readily seek our mints for coinage.

1822-1873

In 1853 Congress passed a measure containing the following provision:

That from and after the 1st day of June, 1853, the weight of the half dollar or piece of 50 cents shall be 192 grains, and the quarter dollar, dime, and half dime shall be respectively one-half, one-fifth, and one-tenth of the weight of each half dollar.

Under this law two half dollars contained 345.6 instead of 371.25 grains of pure silver, the ratio for this subsidiary coin thus becoming 14.9 to 1, while the ratio for the coinage of the silver dollar remained at 16 to 1. This change gave a profit to the coinage of silver bullion into subsidiary coin and consequently brought silver to the mint and returned such coins to the circulation of the countries. The coinage during the next twenty years was as follows:

\$575,900,000 5,400,000 53,600,000

Total silver coinage during this period, \$59,000,000. The ratio (14.0 to 1) for the subsidiary coinage was about 1.1 grains less than the ratio (16 to 1) required for the coinage of the silver dollar. But note the vast difference between the amounts, \$48,200,000. This change of ratio was the chief cause of that difference. If a difference of 1.1 grains produced such a difference then with respect to one metal, what would a difference of 16 grains between the market and coin ratios of two metals produce now? Every correct, candid judgment can give but one answer, namely, "Silver monometallism." ver monometallism.

The law of 1873 made the following provisions:

The law of 18/3 made the following provisions:

Src. 15. That the silver coins of the United States shall be a trade dollar, a half dollar or 50-cent piece, a quarter dollar or 25-cent piece, a dime or 10-cent piece; and the weight of the trade dollar shall be 420 grains troy; the weight of the half dollar shall be 12 grams (grammes) and one-half of a gram (gramme); the quarter-dollar and the dime shall be respectively one-half and one-fifth of the weight of said half dollar, and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5\$ in any one payment.

Szc. 17. That no coins, either of gold, silver, or minor coinage, shall hereafter be issued from the mint other than those of the denominations, standards, and weights herein set forth.

These sections are quoted from the coinage act which has played an important part in public discussions during recent years. Those discussions have led many people to believe that the coinage of silver was suspended entirely by that act. But what does the report of the Director of the Mint show on this point?

From 1874 to 1878, inclusive, the gold coinage amounted to \$208,-From 1874 to 1878, inclusive, the gold coinage amounted to \$208,500,000, and the silver coinage amounted to \$103,600,000. Thus it appears that the silver coinage during this period of five years immediately succeeding the act of 1878 was almost as much as the total silver coinage of the preceding forty years and nearly three times the total silver coinage of the first forty years. The average annual coinage of silver from 1792 to 1878 was \$2,000,000. The act of 1878 authorizing the coinage of the standard silver dollar and restoring its legal-tender quality contains the following provision:

ing provision:

SECTION 1. That there shall be coined, at the several mints of the United States, silver dollars of the weight of 412; grains troy of standard silver, as provided in the act of January 13, 1837, on which shall be the devices and superscriptions provided by said act, which coins, together with all silver dollars herectore coined by the United States of like weight and fineness, shall be a legal tender, at their nominal value, for all debts and dues, public and private, except where otherwise expressly stipulated in the contract. And the Secretary of the Treasury is authorized and directed to purchase from time to time silver bullion at the market price thereof, not less than \$2.000,000 worth per month, nor more than \$4.000,000 worth per month, nor more than \$4.000,000 worth per month and cause the same to be coined monthly, as fast as so purchased, into such dollars; and a sum sufficient to carry out the foregoing provision is hereby appropriated out of any money in the Treasury not otherwise appropriated. And any gain or seignlorage arising from this coinage shall be accounted for and paid into the Treasury, as provided under existing laws relative to the subsidiary coinage.

This law has not been repealed with respect to the legal-tender quality of the standard silver dollar, and hence all standard silver dollars are still legal tenders as provided in said act. Nevertheless, the silver monometallists continue to ring the changes on the word "demonetization." But what is the meaning of that term? Demonetization means the act of withdrawing from use as money something which has already been made into money. Of course it is evident to every rational mind that it would be impossible to demonetize gold or silver bullion which has never been coined into money, for how can a thing be demonetized which has never been "monetized" or made into money? A correct understanding of the true meaning of that word will show that much of the talk about "demonetization" is an idle waste of time and worse than meaningless folly, because it is deceptive and misleading.

1878-1899

During a period of fourteen years, 1878 to 1892, the gold coinage amounted to \$550,300,000, and the silver coinage was \$428,679,000, an average annual silver coinage of \$30,600,000, making a net inan average annual silver coinage of \$30,000,000, making a net increase of \$28,000,000 per year over the average annual coinage of silver for the first eighty-five years. From 1792 to June 30, 1895, our mints had coined \$1,755,800,000 of gold and \$685,000,000 of silver. The report of the Treasurer of the United States shows that our stock of gold on June 30, 1895, was \$636,000,000 and that our stock of silver on the same date was \$625,000,000. Thus it appears that we have less silver by \$60,000,000 and less gold by \$1,119,800,000 than our mints have coined since 1792.

It is also very evident that the forces of the commercial and financial world have drawn upon our gold and silver circulation respectively in the ratio of 18.6 to 1, so that we have lost \$18.6 of gold to \$1 of silver from 1792 to 1895. These brief references to our financial history suggest some very important lessons:

First. That our paper money will always go to a discount whenever the Secretary of the Treasury does not have at command a coin reserve sufficient to redeem outstanding credit money according to the terms of its issue. Hence it becomes an imperative necessity to maintain and protect the coin redemption fund unless we desire to adopt a financial policy based upon irredeemable

we desire to adopt a financial policy based upon irredeemable paper money.

Second. That a coinage ratio which undervalues one of the metals included in a bimetallic system will ultimately retire the undervalued metal from use as money. If the undervaluation is slight, the retirement may be gradual; if it is great, the retire-ment will be speedy. When we correctly test this Senate amendslight, the retarement may be gradual; it it is great, the retarement will be speedy. When we correctly test this Senate amend ment by this universal and inexorable law of bimetallic coinage, we are forced to the conclusion that, under existing circumstances, with a market ratio of 22 to 1 and a coinage ratio of 16 to 1 gold would be immediately driven out of use as money in this country. Hence the passage of this Senate amendment would defeat the will of the people who earnestly desire the concurrent use of both

will of the people who earnestly desire the concurrent use of both metals as money.

Third. That every coinage law enacted by the American Congress has been based upon the common-sense principle that every coin issued by our mints, whether it be gold or silver, should be, and, in justice to the interests of the people, must be, supported by a commercial value equal to the face value of the coin. Nevertheless, this Senate amendment provides in effect that every silver dollar to be issued by our mints under existing conditions should be supported by a commercial value equal to only one-half with face value of such coin.

of the face value of such coin.

of the face value of such coin.

If enacted into law, it would invite the speculators and money brokers of the world to bring to our mints the silver product of 1894, for instance, amounting to 167,752,561 fine ounces, whose market value is quoted at \$106,522,900, and compel the common people of this country to pay them \$216,892,200 for it. A donation of \$110,369,300 for only one year—a premium of more than 100 per cent according to the present value of our money!

Now, where is the justice and the business discretion in demanding that the farmers, the laboring men, the merchants, in short, the common people of this country, shall be compelled by law to pay this premium? It has been stated in this debate that there are about \$65,000,000 of seigniorage now in the national Treasury? Where would that seigniorage, \$65,000,000, have gone if the advocates of the "free-unlimited-10-to-1" theory could have had their way? They would have put it into the pockets of the had their way? They would have put it into the pockets of the mine owners and silver speculators. But, as they have not had their way, it is now a resource to the Government and belongs to all the people of this country and not merely to the few. In this connection, it should be remembered that Congress has no right to coin gold simply because it is gold or to coin silver simply because it is silver. It has a right to coin these metals into money solely because such coinage facilitates business transactions and thus promotes the "general welfare" of all the people.

DOMESTIC SILVER.

While I shall vote against this Senate amendment because it means silver monometallism, I would be glad to vote for a measure providing for the coinage of domestic silver on a plan of practical bimetallism. In my judgment this could be accomplished by the enactment of laws embodying the following provisions:

1. The duties on all imports from countries whose mints are closed to the coinage of silver should be made payable in gold. They demand gold from us and we can well afford to demand the

2. Upon all foreign silver we should levy a duty at least equal to the difference between the market and coinage ratios of gold and silver at our mints, and make that duty payable in gold. The revenues thus received would strengthen the Government for a larger use of silver. The silver product of foreign mines for 1894 was 118,252,561 fine ounces, whose commercial value was \$75,100,900 and whose coinage value at our mints was \$152,892,200. Now, if that foreign bullion had come to our mints under such conditions and under the rule which I have just suggested, its owners would have been compelled to pay into our national Treasury a duty in gold amounting to \$77,791,800, the difference between its coinage and commercial values for that year; but the "free-unlimited-16-to-1" theory of the silver monometallicity would have conveiled the common people of this country to do not that have compelled the common people of this country to donate that difference to the silver speculators of foreign countries.

3. In the coinage of American silver there should be deposited

with the Government a seigniorage equal to the difference between the market and coinage ratios of the two metals. Thus the owner of gold or silver bullion would receive the market price of his commodity, a dollar for a dollar, and the Government would receive 100 cents of commercial value for every dollar issued from receive 100 cents of commercial value for every dollar issued from the mint whose monetary value the Government must sustain. If the market and the mint ratios should become one and the same, no seigniorage would be required, and hence the coinage would be free. Under the operations of this rule, the Government would receive 100 cents in commercial value for 100 cents in coin; but it would receive only 50 cents in commercial value for 100 cents in coin according to the "free-unlimited-16-to-1" theory of the silver monometallists. This rule would have paid virtually from the national Treasury \$31,423,000 for 49,500,000 fine ounces of silver, the American product for 1894; but the silver monometallists would have paid, under their "free-unlimited-16-to-1" theory, \$64,000,000 for the same silver, or a bonus of \$32,578,000 to

the bullion owners. Thus it appears conclusive that the essence of the financial reforms proposed by these silver monometallists consists in compelling the common people to pay large premiums

to speculators and money brokers.

A financial policy based upon such a great inequality of values would be like the house which was built upon the shifting sands. By a duty on foreign silver and a seigniorage on donestic silver we can protect the Government from financial risk and loss and at the same time realize all the benefits that can be secured from silver coinage. Whenever there is a difference between the coin and market ratios of the two metals that difference should be deposited with the Government, because we should insist at all times that every coin issued from our mints shall be supported by a commercial value equal to the face value of the coin. A financial policy based upon this principle of equal values will stand amidst the storms and tempests of the financial and commercial world like the house that was built upon the solid rock.

With such an import duty upon foreign silver and a seigniorage on domestic silver, I would gladly vote to open our mints to the

coinage of the silver product of the mines of the United States at the present legal ratio, as the duty and seigniorage thus required would equalize the market and mint ratios whenever there is a difference between them. Thus we could safely continue the present legal ratio and avoid the confusion and expense incident to a recoinage of existing silver circulation. The people want and need good money sufficient in volume to meet the demands of business. They earnestly desire a gradual increase in the volume of money so that it will wisely keep pace with the increase of population and the increase in the volume of business. These are the things that I shall work for and vote for to the very best of my knowledge and ability, and I will not yield my support to a policy of financial ruin on the one hand or of financial stringency on the

Now, to the benefits of an adequate coin reserve and a practical bimetallism add the benefits of a Blaine reciprocity and a genuine protective tariff measure drafted upon the lines of the McKinley law, with its schedules wisely adjusted to present conditions of commerce and business, and prosperity will again return with a glorious emancipation of the financial, commercial, agricultural, and industrial interests of the country. Capital will then forsake its hiding places and labor will flee from its enforced idleness to receive its just rewards in the reopened channels of business and trade. Then hasten the election day of 1896, at which time the voters of this country will surely win this splendid victory by voters of this country will surely win this splendid victory by returning the Republican party to full power in both the legisla-tive and executive departments of the Government.

Cuban Belligerency.

REMARKS

HON. LUCIEN J. FENTON,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

Monday, March 2, 1896.

The House having under consideration the following resolutions:

"Resolved by the House of Representatives (the Senate concurring), That in the opinion of Congress a state of public war exists in Cuba, the parties to which are entitled to beligerent rights, and the United States should observe a strict neutrality between the beligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that Island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sonse of Congress that the Government of the United States should use its good offices and friendly influence to that end.

"Resolved, That the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples the present war is entailing such losses upon the people of the United States should be prepared to protect the legitimate interests of Americans by intervention, if necessary"—

Mr. FENTON said:

Mr. FENTON said:

Mr. SPEAKER: I esteem it a valued privilege to have the opportunity of lifting up my voice and casting my vote in favor the resolutions now under consideration touching the recognition of the belligerent rights of the struggling Cuban patriots.

Even had any doubt heretofore existed in my mind as to the absolute right of this Government to recognize the new Republic as a belligerent power, the action of the Committee on Foreign Affairs, after careful consideration of the gravity of the subject, would have dispelled such doubts.

I take it from what I can learn from precedents that there will

be no infringement of international law in the adoption of the pending resolutions. But the facts are that so-called international law is largely the product of monarchical governments, and has been formulated chiefly with a view to their interests, and espe-cially with reference to their colonial possessions. There is, however, a higher law—a law of humanity, which appeals to that deep sense of justice innate in the hearts of the masses of civilized men, and which calls loudly for intervention when the "iron heel of tyranny" attempts to crush to earth those who seek only the exercise of those inherent rights and privileges which are the natural and rightful heritage of all races and tribes of the human family.

which entire many be the subtleties of the human family.

Whatever may be the subtleties of international law which would seem to legalize the butchery of helpless human beings made slaves by a relentless despotism, there should be no delay in thrusting them aside in order that substantial sympathy may be extended by the greatest Republic of the earth to the heroic and long-suffering people of Cuba.

In the barbarous warfare now being waged by Spain against the Cuban insurgents we, as one of the greatest nations on earth, are confronted with conditions so appalling and so revolting that to withhold our protest against a revival of the modes of warfare practiced in the Dark Ages would either be a confession of weakness on our part or a tacit approval of the war of extermination recently inaugurated by General Weyler and his hordes, without discrimination as to age, sex, or condition.

This Congress will not fail to enter a protest, but will voice the sentiments of 70,000,000 of freemen by sending greeting from the oldest and greatest actual Republic in existence to the newest, the beautiful Queen of the Antilles.

Popular Education and Religious Liberty.

SPEECH

HON. THOMAS C. MCRAE.

OF ARKANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 2, 1896.

The House, in Committee of the Whole, having under consideration the blil (H. R. 7664) making appropriations for the sundry civil expenses of the Government for the fiscal year 1897, and debate being in progress touching an item in the bill for the support of Howard University—

Mr. McRAE said:

CHAIRMAN: I am opposed to the proposed amendment, and

Mr. Chairman: I am opposed to the proposed amendment, and I will briefly state some of my reasons.

I regret very much that some gentlemen have seen fit in the discussion of this question to erroneously charge the Southern States with unfair treatment of the colored people in the matter of educational facilities. I do not intend to be led into a discussion of that matter at this time, but I do want to say that I heartily join the gentleman from Texas [Mr. Sayens] in denying these misrepresentations of our tax-ridden people. The negroes have been fairly treated in the State of Arkansas, and I believe they have been in the other Southern States; but if they have not been it is no reason why we should make this appropriation of \$32,000 to a private denominational colored university located in this District, when we all know that they have the same opportunities to attend public free schools here as the whites have.

To my mind there is no theory consistent with our institutions

trict, when we all know that they have the same opportunities to attend public free schools here as the whites have.

To my mind there is no theory consistent with our institutions upon which this appropriation from the general revenues of the Government, collected by taxation from all the people, can be justified. That the colored people need education in the South can not be denied; but it does not follow that Congress should take the money from the people of the States, black and white, and give it to a private university located in this city. I make no war on the Howard University. There is evidently a necessity for it, or it would not exist. I have nothing but words of praise and encouragement for its promoters and supporters; but I insist that Congress should not aid any educational institution except those which offer to the youth of our country an opportunity for a commoschool education free of cost. If we have the power to aid the cause of education, we should help the public and normal schools in the States and Territories and not subsidize private universities, however deserving and philanthropic they may be. One of the great mistakes of the past in this and other countries has been that the aid to colleges and universities has been out of proportion to that extended to the public schools. The result has been that knowledge, that great agent, so powerful and dignifying to human nature, has been and is confined to a few master spirits, who, constituting the repositories of moral and mental power, have given laws, literature, and religion to the world and shaped the destinies of mankind. of mankind.

For just experience tells in every soil, That those who think must govern those who toll; And all that freedom's highest aims can reach, Is but to lay proportioned loads on each.

In the most remarkable period in the history of learning, when In the most remarkable period in the history of learning, when all that was beautiful and grand in conception, all that was sublime and powerful in thought or chaste in imagery, we find ignorance is the basis for human usurpation. This has always been
and always will be the case. The mind is the ruling and controlling power of the intelligent few, to whose patient labor and systematic study the world is indebted for the thousand improvements and successful discoveries which are the pride and ornament

of the nineteenth century.

This mind, which, when cultivated, adds so much to the dignity and happiness of the human family, dwells not alone with the favored few who are able to purchase for their children admittance in the great universities, but with the mass of mankind. This being true, there should be a wider dissemination of knowledge, that its rays should penetrate and expand the minds of the multivide.

This being true, there should be a wider dissemination of knowledge, that its rays should penetrate and expand the minds of the multitude.

Popular education is important in the sense that it tends to inculcate the principles which guarantee to everyone the noble and unconditional inheritance of freedom. The love of this freedom is implanted in man by divine hand, but the history of the human race in every age and in every condition of existence shows that it can not be propagated where ignorance is permitted to rule.

Just in proportion to the enlightenment of the mass of the people of any country will they be free—free to think, to expand, to grow and develop their powers and usefulness. Many illiterate freedmen believe that freedom consists alone in the right of franchise. The avaricious plutocrats who have grown rich by the favoritism of the Government think it consists in the rights of property. This is physical freedom—freedom of body—but not freedom of the mind. Real freedom embraces other principles—rights to the esteem and regard of society. It is the privilege of pursuing happiness in the path of light. What is this worth to one who has no power of mind to comprehend the nature of freedom? The splendor of the noonday sun, the gorgeous blazonry of the firmament is starless and rayless to the blind. Again, it is not out of place to consider this question with reference to our institutions. Our Government recognizes but one class—the people, and has but one legitimate aim—the interest and advancement of the people. Its protection rests in the hands of the people, and is the counterpart of themselves; and it must rise or fall according as the character of the people is elevated or debased. Its theory is equality—equality of power; and that implies an equality of knowledge. Then, should not the whole people be educated, so as to have a proper sense of their rights, to discern their true interests, and it is for the poor struggling States, where 50 per cent of lace accumulated by the few favored wealthy cla

I shall not take up the time of the committee to prove that the university in question is sectarian, for the amendment admits this by providing that no part of the money "shall be paid to any teacher or professor of theology or religion, or to any chaplain in said university." If you aid any department, you help the entire institution.

Mr. Chairman, I do not wish to be understood as opposing church schools and colleges, nor should I underestimate their great benefit to the cause of education and civilization. I affiliate with a Protestant denomination which believes in and advocates the highest education for its ministers, and its institutions of learning stand in the front rank of sectarian schools. It maintains an institution for the education of colored ministers in the of learning stand in the front rank of sectarian schools. It maintains an institution for the education of colored ministers in the State of Alabama, but, sir, it does this by private and voluntary contributions, and it will deserve to die when it asks Congress to aid it. The various churches in the South are doing as much for the cause of higher education as any other agency. I take pride and pleasure in saying that all of the religious denominations in the State which I in part represent are bending all their energies to arouse the aspirations of the people and to bring them to a realization of the dangers that threaten our institutions by the great mass of ignorance that surrounds them. They are lighting up the minds of the people with the torch of knowledge. In their own hopeful, faithful way and under their own independent control they are accomplishing what was not dreamed of thirty years ago. They have had many hardships and disappointments to encounter and overcome, but they have never thought of asking aid of the Government. May God speed them in the great work they have undertaken!

As a believer in the Christian religion and not opposed to sectarian education, and for the good of the churches themselves, I stand here to warn them as well as my countrymen of the danger of Government aid to any school, college, or university under church or private control. I say this in the interest of that pure Christianity which I believe exists in the hearts and homes of the great body of the people of this country, as well as for the regard I have for that charter of our liberties which provides that no religious test shall be prescribed for office. Let us keep the state and church forever separate and independent of each other. Let us keep the wall between the two, which was so wisely erected by the fathers of this Republic, so high and so strong that intolerance and fanaticism will never be able to overleap it. No church that has a proper regard for the holy work committed to its care would accept aid from a State or the Government.

Mr. Chairman, I think this a fit occasion to refer to some of the

Mr. Chairman, I think this a fit occasion to refer to some of the utterances of that great lawyer, statesman, jurist, and champion of the Christian religion, the late lamented Judge Black, of Pennsylvania, upon the question of religious liberty. I shall now ask the attention of the House to some of the thoughts suggested by him in 1856, because the principles are stated more forcibly and more strongly than I can possibly hope to state them. I wish I could burn the great truths he has so eloquently expressed in the minds and hearts of the members of this House and the people of our great country.

ne minus and hearts of the members of this riouse and the people of our great country.

"We habitually use certain words and phrases, imported from the other side of the water, which are calculated to mislead us. One of these is the word 'toleration' as applied to matters of faith. It implies that we derive whatever religious freedom we have from the concessions of the Government; that the king in a monarchy and a majority of the people in a republic permit those who differ from them to live unmolested. This notion is wholly untrue. It is not a political privilege, but a natural and indefeasible right, which human government may protect but can not either give or withhold. If we are permitted to enjoy it, our thanks are due, not to any popular majority, but to Him who gave us being.

"Deus nobis haec iria fecit.

"Again, we hear it continually said by the wisest men among us that Christianity is part of our common law. No one has ever attempted to explain how this is to be understood. The law and the gospel are, in fact, wholly dissimilar in nature and essence, in origin, operation, and object; as different as the purity of the one must necessarily be from the coarse and vulgar machinery of the other; so different that they never can be mingled together without corrupting both. Christianity, they tell us, is a part of our law; that is, we have adopted the rules of the Divine Lawgiver to regulate our civil conduct, but, finding them very defective, we have made certain valuable additions. The Connecticut settlers resolved that they would live according to the laws of God until they had time to make better. So we profess to have taken a system formed in the councils of Omniscience, which came from the hands of its Author round and perfect like a star, filled with all forms of moral beauty and radiant with miracles of light, and we boast that we have adopted this system with such amendments as our superior wisdom has found it necessary to make. The proposition is blasphemous, and every Christian man should frown upon it.

"The manifest object of the men who framed the institutions of this country was to have a state without religion and a church without politics—that is to say, they meant that one should never be used as an engine for any purpose of the other, and that no man's rights in one should be tested by his opinions about the other. As the church takes no note of men's political differences, so the state looks with equal eye on all the modes of religious faith. The church may give her preferment to a Tory, and the state may be served by a heretic. Our fathers seem to have been perfectly sincere in their belief that the members of the church would be more patriotic and the citizens of the state more religious by keeping their respective functions entirely separate. For that reason they built up a wall of complete and perfect partition between the two.

"Their theory was one of absolute and unlimited freedom—a freedom 'as broad and general as the casing air.' It was their aim to take away every possible pretense which could be made by any human being to erect himself into a tribunal for the purpose of deciding matters supposed to be at issue between his fellow-creatures and their God. They thought they had succeeded in guarding the rights of conscience so that no majority would ever invade them. They gave to bigotry no possible chance for thrusting herself into civil affairs without doing so in flat rebellion to the Constitution.

"This liberty to think and do what they please extends to all

manner of wrong-headed people, so long as they do not interfere with the rights of others. The widest departure from the faith of the majority is permitted as fully as the most trifling difference of opinion. The Baptist may safely confess his belief in immersion, and the Quaker, with equal impunity, may disregard all outward forms. The Catholic may celebrate the mass, the Jew may eat the passover, and even the Mohammedan may turn his face toward Mecca when he prays. Some very good men are disgusted at a liberality so excessive that it stands neutral between the purest truth and the grossesterror. Their righteous souls are vexed from day to day by the fact that their Government is such a Gallio as to 'care for none of these things.' If it be wrong it can not now be mended. For those who are not content with it there is no help, except in emigrating to some place where persecution is not forbidden; and even then their comfort may depend very much on whether they are permitted to inflict the persecution or compelled to suffer it. A British officer, just returned from India, was asked what he thought of lion hunting. 'The sport,' said he, 'is excellent as long as you are hunting the lion; but it gets rather disagreeable when the lion begins to hunt you.'

"Heterodox people in this country are protected not only from hunting, barging and interpretations."

"Heterodox people in this country are protected not only from burning, hanging, maiming, and imprisonment, but it is provided that even political disabilities shall not be imposed on them for their erroneous faith. One sect shall have no advantage whatever ever another. You shall not reward the true believers by giving them all the public employments and punish heretics by a total exclusion. There shall be no religious test as a qualification for office. Make what other test you please. Exclude a man, if you like, for his political sentiments, or his moral conduct, for his wealth or his poverty, for his youth or his age; make war on him for the color of his hair, the length of his legs, or the shape of his nose; but let him alone about his religion; that is consecrated ground; that is a point on which the Constitution has refused to trust you with one particle of power; and wisely, too, for mortal men are not fit to be trusted with such power. They have never had it without abusing it grossly.

"The man who would enforce religious truth by penalties of any kind is not only cruel and inhuman but he is 'a fool as gross as ever ignorance made drunk.' He descends from his vantage ground, disgraces his cause as well as himself, and makes his adversaries hug their errors with more affection than ever. The logic of blood is just as powerful for the wrong as it is for the right, and Truth, in such a contest, is disarmed of her intrinsic and natural power. By a thousand arguments you can show that Christ was God and Mohammed an impostor; but the rack will prove as much for one as the other. It is possible to convert the most obstinate misbeliever by an appeal to his reason, but what progress will you make by burning his church?

most obstinate misbeliever by an appeal to his reason, but what progress will you make by burning his church?

"The experiment has been thoroughly tried both ways, with what success you know very well. When the church had no sword but the sword of the Spirit, when her disciples knew nothing of persecution except what they suffered, her influence was irresistible. But on the evil day when she joined herself to political power her 'invincible locks' were shorn away and she was compassed round with danger and darkness. Christianity, like the oak, will thrive only in open air. It grows and flourishes, and strikes its roots deep into the earth, and stretches its branches to the skies, and spreads them over the plain, while the free winds are permitted to play among its leaves and the sunshine of heaven to settle on its head. But it never was meant for a hot-house plant. It withers and dies when placed under the forcing glass and exposed to the stimulus of an artificial heat.

and exposed to the stimulus of an artificial heat.

"The author of the Christian system has lent no sanction to any deed of hatred or violence which has been done in his name. When the prophet Elijah came out from the cave and stood on the mountain there passed in succession an earthquake, a fire, and a mighty wind, but the Lord was not in either. After these had gone by there came a still, small voice, and Elijah knew that the Lord was there. In the history of the Christian world we have seen the earthquake produced by the encounter of nation with nation, the fire of legal persecution, and windy storm of political disputation. It needs no inspired prophet to tell us that in none of these was there any sign of His presence who rules in justice and mercy. If He is not heard in the still, small voice that speaks to the reason and the conscience, then are we without God in the world, and consequently without hope.

"Let us not be self-complacent enough to suppose that we are in no danger of being tempted to repeat what others have done before us. This age is wiser than former times. We know more; but I am not sure that we feel any better. American, Republican, Democratic nature is still human nature, and has its full share of old Adam. Everywhere and at all times the spirit of persecution is the most insidious as well as the most deadly foe to public tranquillity, safety, and peace. It may steal imperceptibly over the popular heart at any moment, for its approaches are always noiseless and rapid. There is nothing less alarming in infancy, nor nothing more terrible in maturity. Its first whisperings are as

gentle and soft as the summer breeze; but its murmurs grow louder and stronger and wilder, until you have it in the crash and roar of the tempest. The whole heavens may be darkened to-morrow by a cloud which to-day is not bigger than a man's hand. "Facilis descensus averni. If our judgments could once be obscured by a strong feeling of hatred and contempt for those who profess a false faith, how easy might it be to convince us that there is nothing either legally or morally wrong in using our numerical power to strip them of their share in the civil Government! We do that, and then come slander and insult of the injured party by way of excuse for the injury. Resistance—perhaps retailation in way of excuse for the injury. Resistance—perhaps retaliation in some form or another—would almost certainly follow; and this would be an excuse for still further inflictions. The combat deepens every hour; our hatred grows stronger and more intense at every stage of the contest, until we are completely blinded by it;

"Masterless passion sways us to the mood Of what it likes or loathes.

"The final issue would be the enactment of inhuman laws to suppress the religion of the minority, or else inhuman riot, bloodshed, incendiarism, perpetrated in defiance of law. 'You begin,' said Roger Williams to his opponents at Boston, 'you begin by reviling your erring brethren; you will end by taking their lives, for you are on a path where there is no hiding place.' He knew the philosophy of the subject exactly. It is idle folly to let loose the war dogs of religious bigotry, hiss them on their victims, and then expect them to be content with barking. It is their nature to tear the flesh and mangle the limbs and lap the lifeblood, and if you desire them not to do so, keep them chained up."

"Besides this natural tendency of the passions, the reason of the thing is altogether opposed to stopping after you begin. There is an argument in favor of killing heretics which you can never answer, except by totally denying all power to molest them. If it be our mission to propagate religious truth, as we understand it, by punishing those who refuse to accept it, why do we trifle with the great work intrusted to our hands? If we are responsible for the faith of others as well as our own, how dare we allow the God of the universe to be mocked and insulted by a false wor-"The final issue would be the enactment of inhuman laws to

the God of the universe to be mocked and insulted by a false worship? We know very well that such errors are not to be eradicated except by destroying all who believe them. Nothing but the most thorough work will crush them out. If such be the service that God requires of us, let us perform it as men who know that we are working under our great Taskmaster's eye. Subdue the sentiment that might make you revolt against duty. Gird every man his sword upon his thigh; go through the camp and slay every man his brother and his friend. Feed the eagles with the flesh of all who dare to misbelieve; give their roofs to the flames, and let not one stone of their churches remain upon another. This reasoning is perfectly sound, if you concede the premises. Once let go your hold upon the true doctrine of perfect equality, and logic, as well as passion, will carry you irresistibly to the other extreme.

"The tendency of bigotry to run into wild extravagance is partly accounted for by its singular gullibility. Its capacity for swallowing falsehood is absolutely unlimited.

"This evil spirit of persecution is indeed very far from confining itself to the ignorant and depraved. It has often brutalized the kindliest natures, and under its influence the man of genius drivels like an idiot. I think no one can read the writings of St. Francis Xavier without being touched by the deep tone of his personal piety, yet he was the author of that diabolical invention, the Spanish Inquisition. That Calvin was the profoundest thinker of his age everybody admits; to deny the sincerity of his devotion would be simply abourd; but his name is inseparably linked with one of the foulest murders that ever blackened the face of the sky. Even the matchless intellect of Milton was subdued to the service of the same demon. When all his faculties were roused in defense of free conscience, there was one class of his opponents that he gave to without hereitation to the sword and the facet. The great heart up without hesitation to the sword and the fagot. The great heart which conceived all the glories of the Paradise Lost had no drop of pity in it for the sufferings of the Irish. The loftiest hymn of his praise was sung to the man who carried the 'curse of Cromwell' through that devoted island.

well' through that devoted island.

"It not only nourishes those violent passions which lead to bloodshed and tyranny; it is almost equally objectionable for its meaner vices of treachery and fraud. It seldom approaches you in fair hostility, with its weapon drawn and its visor up; it hides its hideous face under some plausible disguise, and surrounds itself with all the machinery of false pretenses. It takes its adversary by the beard and affectionately inquires, 'Art thou in health, my brother?' while it stabs him under the fifth rib. Charles IX invited the leading Protestants of his Kingdom to a royal wedding, and took such order for their entertainment during the night that their mangled and lifeless bodies were scattered next morning through all the streets of Paris. This and other outrages were committed on the absurd allegation that Protestants were not, and could not be, faithful subjects or sound in their private

morals. The statesmen of England, meanwhile, with a disregard

morals. The statesmen of England, meanwhile, with a disregard of truth equally base, made the same accusation against Catholics, and on that hypocritical pretense compelled them, for more than a century, to grean under oppression compared to which the bondage of Egypt was mild and merciful.

"It engenders dissimulation of another kind. It pays an enormous premium for hypocrisy and crushes out all independence and truth from the hearts of the people. Sincerity, even when it clings to an erroneous faith, is the first of virtues. But the brave, true men, who would rather suffer than belie their honest convictions, are hunted down and sent to the stake, or at least are banished in disgrace from the public councils, while the knave or the coward, who is willing to profess whatever creed is safe or profitable, is rewarded for his baseness with influence, power, and place. Bigotry applies an infallible test to the merits of men. With unerring certainty she divides the chaff from the wheat, but the wheat she condemns to the unquenchable fire of her hatred, while erring certainty she divides the chaff from the wheat, but the wheat she condemns to the unquenchable fire of her hatred, while the chaff is carefully stored away in her garner. Therefore it is that, when bigotry reigns, the public service is always crowded with the worst men. Hostility against an unpopular religion is easily simulated. When you make that a virtue, the infidel and the ribald scorner can be as virtuous as anybody. When that becomes a passport to the sovereign's favor, the state will be served, not by religious men, but by 'hireling wolves, whose gospel is their may.'

their maw."

"It is useless to describe any further the features of this monstrous demon. It is the Moloch of the earth, who sits on his shrine up to the ears in blood and compels the children of men to pass through fire to his grim idol." It corrupts the morals, it pollutes the religion, it endangers the safety of any people who permit it to gain a foothold among them.

"But we may safely felicitate ourselves upon one thing. Our establishment of perfect religious liberty and equality has not only given happiness and pages to ourselves, but it has revolutionized

given happiness and peace to ourselves, but it has revolutionized the sentiments of the Christian world. We have led the grandest reform that has ever been seen since the days of the Apostles. and, under the admitted influence of our example, has in a great measure knocked away the shackles from the minds of her people. She has removed one political disability after another, until at last she welcomes men of every creed to her service. A Jew is sheriff of London, Catholics sit in her Parliament, and a Presbyterian was, not long ago, at the head of her cabinet.

"France has made a progress still greater. No one there thinks of excluding a man from office on account of his religion. For many years the prime minister, who mainly wielded the power and patronage of the kingdom, was the zealous defender of a creed which the king and four-fifths of the people rejected. Even the fund raised by taxation for purposes of religious instruction is distributed to preachers of the Protestant as well as the Catholic faith. In those parts of Germany where the religious wars were conducted with the greatest ferocity the Catholic and the Protestant at side by side at the same council hourd and even worship conducted with the greatest ferocity the Catholic and the Protestant sit side by side at the same council board and even worship alternately in the same churches. The inquisition has been abolished in Spain and autos-da-fe are heard of no longer in Portugal. Each Government in Europe still supports what it chooses to call the national faith, but offenses against the religion of the State are nowhere visited with those cruel and sanguinary punishments which used to disgrace the Christian name. The great light of religious freedom, which was seen at first only from the mountain ranges of the intellectual world, has already illumined the hill-sides and promises soon to expel the deep darkness from the lowest valleys. May the time be speeded when the whole earth shall be bathed in its radiance! valleys. May the time bathed in its radiance!

"That America should now give up the proud position she occu-pies in the front of the world's great march, and skulk back like a recreant into the rear, is a thought which can not enter an Amer-

paes in the front of the world's great march, and skills block he a recreant into the rear, is a thought which can not enter an American mind without causing a blush of insupportable shame. She stands pledged to this principle in the face of the world; she has solemnly devoted herself to its championship; she has deliberately promised it—not only to her own people, but to all others who should fly to her for protection—and, if she breaks her faith, it will be such perfidy as never blackened the brow of any power before.

"To avert a calamity so grievous, and to prevent a disgrace so indelible the country looks to her educated men. The unhroken and uncorrupted heart of the people will be always with you on the right side. But you are the bodyguard of freedom, and it is your special duty to carry her oriflamb in the van of every battle. Perhaps no dangerous service will be needed soon. You may safely sit still while your enemies merely talk against the equal rights of all the people. But if at any time hereafter, during the long lives which I hope you will all enjoy, some great combination should arise to stir up the bitter waters of sectarian strife, and to marshal ignorance, prejudice, and selfishness into a body compact enough to endanger the bulwarks of the Constitution, then let your flag stream out upon the wind."

• • • Then stand you up. Shielded, and helmed, and weaponed with the truth, And drive before you into uttermost shame. Those recreast cattiffs

Retirement of the Treasury Notes and the Free Coinage of Silver.

SPEECH

HON. CLAUDE A. SWANSON,

OF VIRGINIA.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and naving under consideration the bill (H. R. 2004) to maintain and protect the oin redemption fund, and to authorize the issue of certificates of indebtedees to meet temporary deficiencies of revenue—

Mr. SWANSON said:
Mr. CHAIRMAN: There are two propositions pending before us for Mr. CHAIRMAN: There are two propositions pending before us for acceptance or rejection. The first proposition is the one passed by this Republican House last December, authorizing the Secretary of the Treasury to sell \$500,000,000 of 3 per cent bonds, with which to redeem all the outstanding Treasury notes, impound them in the Treasury, and thus contract the currency of this country to that extent.

owhere this proposal was first before the House I earnestly opposed it in a speech, and did my utmost to defeat it. I then pointed out that if this bill should ever become law, and the currency should be contracted to the extent designed, the actual rency should be contracted to the extent designed, the actual money in circulation among the people would be less than half the annual taxes collected from them, less than half the annual interest paid, and would not be one-fortieth of the aggregate indebtedness of this country; yet this House, with its immense Republican majority, by a large majority vote passed this bill to destroy this vast amount of money that had been preserved to the people by a Democratic House of Representatives.

This bill went to the Senate and there the Democratic Senators, led by Senator Jones of Arkansas, aided by a few Republican and Populist Senators, defeated that iniquitous measure and substituted in its place a free-coinage bill, which that sterling Democrat from Georgia, Judge Crisp, now proposes that this House

stituted in its place a free-coinage bill, which that sterling Democrat from Georgia, Judge Crisp, now proposes that this House shall adopt instead of the bill it formerly passed.

Thus these two measures embody clearly and distinctly the two ideas struggling for supremacy in our financial system.

The proposal to sell bonds and to retire the Treasury notes, or greenbacks, is the only relief offered by the gold monometallist to remedy the present distressed situation, I am unalterably opposed to this. In the last Democratic House, when the friends of the present Administration sought to have a bill similar to this massed and the vast amount of paper money destroyed I carnesily passed and the vast amount of paper money destroyed, I carnestly spoke and voted against it. I am glad to say that the bill prac-tically similar to this was defeated in the Democratic House by a

large majority.

This bill, indorsed nearly unanimously by the tremendous Republican majority in this House, commits this party in the future,

publican majority in this House, commits this party in the future, without doubt and without question, to the maintenance of the gold standard in this country.

The Republican majority in this House exceeds 100, and the proposal for free coinage will be defeated by a vote equal to that majority.

The Republican party during the last canvass denounced the present Administration for selling bonds, and yet its first advent to power is marked by passing in this House, and insisting upon its enactment into law, a proposition to sell \$500,000,000 of bonds and the retirement from circulation of that amount of money. The Republican policy, as here disclosed, shows a complete alliance with the gold monometallists of this country. It shows that the Republican party still adheres to the financial teachings of Senator John SHERMAN, who in 1873 demonetized silver without cause, without excuse, and when it was at a premium over gold of 3 per cent. It shearan, who in 1873 demonetized silver without cause, without excuse, and when it was at a premium over gold of 3 per cent. It shows that this party's policy is a contraction and not an expansion of the currency. It proves to the country what I have always known, that the party that wantonly destroyed silver will never consent to its rehabilitation.

consent to its rehabilitation.

In the future no one need be deceived. If he believes in and desires the remonetization of silver, he must vote for and form alliances with a party different from the Republican party.

I shall not go over the ground that I did in my former speeches and point out the great disasters that must and will inevitably follow if this Republican measure becomes law and one-third of the legal-tender meney of our country be destroyed without substituting anything in its place. In them I have pointed out how this would be followed by further stagnation in business and by a further fall in the prices of all products and property.

These two measures, as I have said, present clearly the two methods existing for the settling of our financial troubles. One is the solution offered by the single-standard gold man, and the

is the solution offered by the single-standard gold man, and the

other is the solution offered by those who believe in bimetallism. The solution of the gold man, clearly stated, is: We have a currency of about \$500,000,000 of Treasury notes, about \$210,000,000 of national-bank notes, and about 425,000,000 of standard silver of national-bank notes, and about 425,000,000 of standard silver dollars, with only about \$600,000,000 of gold. They claim that all this currency is kept in circulation and at par by being practically redeemed in gold. They claim that there is a "want of confidence" in our ability to redeem this in gold, and that "to restore this confidence" we should destroy or retire all of our Treasury notes. To retire these Treasury notes they propose to sell bonds either for them or for gold with which to redeem them. When redeemed they propose that the Treasury notes shall be either destroyed or locked up in the Treasury and kept out of circulation. That this is their solution is shown by the recent sale of bonds and by the present proposition. When the Treasury notes have been destroyed, they propose to destroy the 425,000,000 of standard silver dollars in circulation. They claim that this is only fiat money, and that all fiat money should be retired. Their determination to destroy this large amount in silver dollars is clearly

nation to destroy this large amount in silver dollars is clearly shown by the veto of the bill directing the coinage of the silver bullion in the Treasury, and the refusal of this single gold stand-

ard Republican House to permit us ever to vote on that proposition.

They are opposed to repealing the tax on State banks and giving us a local currency to supplement our national currency. This was disclosed when the vote was taken upon this question in the last Congress, when every single gold standard member, whether Democrat or Republican, voted against it.

Their determination is to destroy all the legal-tender money in the country except gold and national-bank notes redeemable in

gold. They claim that when this is done, while the currency will be greatly contracted, yet confidence and credit will be restored. This is the entire relief offered by them to remove the present difficulties and bring back to the country the general diffusion of

wealth and of prosperity.

I believe these remedies will but intensify and make greater the evils and distress which overshadow us to-day.

The "want of confidence" in our country to-day is not a want of confidence in our currency, but a want of confidence in the

solvency and ability of the producing classes to meet their obliga-I have yet to see a person who, when he refused another credit,

debated in his mind whether the person would pay him in silver, gold, or greenbacks. The question in his mind is whether the person will be able to pay him at all. The want of confidence, if it exists, is because he is afraid the person could not pay in any kind of currency.

This want of confidence in the ability of the debtor to pay will be greatly increased if the single gold standard men should succeed in reducing by more than half what can be used in payments. Activity in business, credit, confidence, and prosperity can not be revived until the value of all products and property is restored. People will not trade nor buy on a declining market. A person will not buy goods on Monday when he expects they will be lower will not buy goods on Monday when he expects they will be lower on Friday. A man will not purchase a lot, house, or farm this year when he sees them declining in value, as he expects to be able to do so for less the next year. Thus a declining market means losses, stagnation in business, and a paralysis of all activity. Falling prices also create distrust among creditors, and hence a collection of their debts. A creditor will not extend time to a debtor when he perceives the property upon which he depends for payment each year lessening in value. Thus falling prices necessarily create a liquidation of all debts.

The aggregate minimum indebtedness of this country in 1890

The aggregate minimum indebtedness of this country in 1890 amounted to \$20,227,170,546. The collection of this vast indebtedness is proceeding not from any want of confidence in our currency, but from a want of confidence in the security and value of the property pledged for its payment. The truth of this is witnessed

each day.

A bank loans money to a man of large business and great property. At the time of the loan the value of the property was far in excess of the amount loaned. The bank, seeing the great depreciation in property, refuses to extend the loan, forces collection, sells the property at a greatly reduced price, and the man who was rich finds himself bankrupt in the shrinkage of values.

Let us trace business in its actual ramifications and see if the sources of the present troubles do not arise from the low price of all products and property.

A bank in New York loans money to a country bank. That bank, at a greater rate of interest, loans it to merchants and business men. These buy or manufacture goods which they sell to farmers or the producing classes. The wheat, corn, oats, to-bacco, hay, horses, and cattle raised by them sell so low that they are unable to pay the merchant or manufacturer. The merchants and manufacturers, not being paid, are unable to pay the bank and manufacturers, not being paid, are unable to pay the bank from which they borrowed. This bank, not having its outstand-ing notes paid, is unable to meet its own notes with the New York bank. The bank in New York, knowing the conditions, becomes

nneasy. It forces the country bank to settle. This in turn forces the merchants and manufacturers to settle, who in turn force the farmer. The farmer, having disposed of his crop for less than cost of production, is compelled to have his farm and other property sold to pay his indebtedness. The value of his crops having been greatly reduced, his land and property engaged in the business are correspondingly reduced. Thus the sale, when made, fails to pay the merchant; the merchant, being unpaid, can not pay the home bank, and this bank can not pay its depositors or the New York bank. Thus we have a bankrupt farmer, a failed merchant, a broken manufacturer, unemployed laborers, and a suspended bank, with all its evils and losses. Hundreds of cases like this have occurred and continue to occur.

The single gold standard man is blind enough to tell you that

The single gold standard man is blind enough to tell you that all this arises from a lack of confidence in our currency, resulting from the greenbacks in circulation. His remedy is to contract from the greenbacks in circulation. His remedy is to contract the currency, and further lower the prices of all products and property. This remedy is as stupid as the old blood-letting process in medicine, which, when a patient was dying for want of blood, the ignorant doctors would bleed him. It is said that George Washington was killed by this remedy. It seems a strange fate that the country of which he was the father should now suffer from the same pernicious mistake.

from the same pernicious mistake.

It is evident to any thoughtful and reasoning mind that these deplorable conditions arise from the great, unnatural fall in the prices of all products, and that if the prices of them continue to decline these evils will be greatly increased. Relief from these ruinous conditions will not come until we witness an advance in the prices of products and of property.

David Hume, the noted philosopher and historian, long ago said:

If prices rise everything takes a new face; labor and industry gain life; the merchant becomes more enterprising, the manufacturer more diligent and skillful, and even the farmer follows his plow with greater alacrity and attention. If prices fall the poverty, begging, and sloth that must ensue are

What occasioned this present great fall in prices was the cause of our existing troubles. Whatever will restore these prices will remove debt, will revive credit and confidence, give employment to labor, bring back business activity and enterprise, and bless the land with plenty and prosperity. We who advocate bimetallism—that is, the free and unlimited

coinage of both gold and silver at the mints at a fixed ratio—be-lieve that the great fall in prices results from the demonetization of silver and the adoption of gold alone as the standard of value. or silver and the adoption of gold alone as the standard of value. We believe that, this being the cause, prices will be enhanced or restored when we remonetize silver and let our standard of value rest, as formerly, upon both gold and silver. We claim that the value of everything is regulated by the great law of supply and demand. That this great and universal law of supply and demand regulates the value of money when exchanged for commodities.

We claim that as society has progressed, wealth increased, commodities and transpared and transpared to the progressed of the supply and the supply as the progressed of the supply and the supply and the supply and the supply and the supply as the supply and the supply as the sup

merce enlarged, and tremendous new enterprises been undertaken, taxes, interest, and all fixed charges been augmented, the demand for money has become greater; that while the demand for mand for money has become greater; that while the defining for money has greatly increased, yet the supply of it has been reduced half since 1873, when silver was demonstized and gold made the standard of value or money of final payment; that the demand for money of final payment having increased and the supply lessened by half, the value of things exchanged for it, or measured

by it, must necessarily be reduced correspondingly.

Thus the natural result of destroying half of the money of the world would be to greatly appreciate the value of the remaining half and reduce to that extent the value of all products and prop-

erty exhanged for or measured by it.

John Locke, the greatest of all English thinkers, many years ago said:

For the value of money, in general, is the quantity of all the money in the world in proportion to all the trade.

This is a profound truth and but emphasizes what I here insist upon, that as our trade has wonderfully increased since 1873 and as one-half of our primary money was then destroyed, the result has been to double the price of gold, and hence reduce by half the value of everything sold for gold.

John Stuart Mill, the great thinker and writer upon this question has well said.

tion, has well said:

That an increase in the quantity of money raises prices and a diminution owers them, is the most elementary proposition in the theory of coinage, and without it we should have no key to any of the others.

This self-evident truth must show that the destruction of half of the money of the world must result in an equal reduction in the price of all commodities.

This vital truth was recognized by the fathers of this Republic when our Government was organized.

Alexander Hamilton, in his famous report of 1791, said:

To annul the use of either metal as money is to abridge the quantity of circulating medium and is liable to all the objections which arise from a comparison of the benefits of a full with a scanty circulation.

The immortal Jefferson, who had the interest of the people at heart more than any American leader and who was the father of the Democratic party, in February, 1792, in a letter to Hamilton.

I concur with you that the unit must stand on both metals

I stand here to-day as a Democrat, receiving my inspiration from Jefferson and not from the latter-day saints of the party, and re-peat that "the unit of value must stand on both metals." That

is Democracy. That is bimetallism.

In 1852 R. M. T. Hunter, one of the most talented and distinguished sons of Virginia, in a report made to the Senate as chairman of the Committee on Finance, said:

But the mischief would be great, indeed, if all the world were to adopt but one of the precious metals as the standard of value. To adopt gold alone would diminish the specie currency more than half, and the reduction the other way, should sliver be taken as the only standard, would be large enough to prove highly disastrous to the human race. We require, then, for this reason, the double standard of gold and silver, but above all do we require both to counteract the tendency of the specie standard to contract under the vast increase of the value of the property of the world.

Thus forty-two years ago, when we had the double standard and were blessed with unexampled prosperity and progress, this wise statesman and sage of Virginia prophesied the great mischief and evils which would inevitably follow if we should ever adopt but one metal as our standard of value. The Republican party in 1873 did just what this wise Democrat had over twenty years before warned them against. The debt, the misery, the failures, the stagnation in business, the unemployed labor, the low price of all products and property, and the scarcity of money bear evidence to-day of the complete fulfillment of this prediction. Thus we can trace back, clearly and distinctly, our present distress to the existence of the gold standard. Relief can not and will not come until we abandon this and again put our standard of value upon both gold and silver. But I will not stop the investigation of this question here.

I have proven that the present ruinous conditions result from the prevalence of this great fall in the price of everything and Thus forty-two years ago, when we had the double standard

the prevalence of this great fall in the price of everything and that relief will only come from a rise in prices.

I will now investigate the history of the rise and fall in the price of commodities, so that we can also ascertain the cause of the present low prices by historical data.

The London Economist, a paper of world-wide fame for ability and statistical knowledge, has compiled the average prices of 22 leading commodities on the 1st of January of each year from the year 1845, which is very instructive and significant. This compilation shows that the price of these 23 leading commodities increased in value from 1845 to 1873 and that from 1873 to the 1st of Lanuary 1892, they had fallen about 33 per cent

January, 1892, they had fallen about 33 per cent.

Augustus Sauerbeck, of the London Statistical Society, a man
of eminence and ability, has investigated the prices of 45 leading and representative commodities on the London market, with the same astounding results, that the average price of these gradually increased until 1873, when the increase ceased and a decline commenced, which amounted, with the 45 commodities, to about 34 per cent in 1892.

Dr. Soetbeer, statistician for Hamburg, Germany, and a famous economic authority, compiled the prices of 100 leading articles on the Hamburg market and 14 of British exports with the same astounding result, that commencing with 1873 the average price of these had gradually declined, until in 1891 their decline amounted

to 22 per cent. In 1891 a committee of the United States Senate investigated the prices in this country of 223 articles, and in a report to Congress shows that since 1873 the average price of these has declined 28

per cent. In 1873 the price of wheat was \$1.24 per bushel; in 1894 it was 49 cents per bushel. In 1873 the price of cotton was 20.14 cents per pound; in 1894 it was 6.94 cents per pound.

Statistics will exhibit the same great fall in the price of tobacco,

Statistics will exhibit the same great fall in the price of tobacco, corn, oats, cattle, and horses, as well as in other commodities. These statistics are undisputed even by the gold monometallists. They are gathered from sources so reliable, presented by men of such reputation and authority, so in accord with our own knowledge and experience, that they can not and will not be denied. They all agree in one thing—that, commencing with the year 1878, the world over, prices have fearfully declined. Consequently it is evident that at that time something must have occurred to occasion a condition so world-wide.

We examine and we find that in 1872 Norway and Sweden substituted the gold standard for the silver standard. We find that in 1873 the United States abandoned the double standard of gold and silver and adopted the single gold standard. We find that the same year Germany went from the silver standard to the single gold standard. We find that the same year Germany went from the silver standard to the single gold standard. We find that the same year Germany and the Latin Union suspend the free coinage of silver and substitute the gold standard. Thus about this time occurred a convulsion in the financial world surpassing any which ever transpired in the physical world. The great com-

mercial nations of the world at this time went from the double standard of value to the single gold standard.

It is impossible to point out anything else that happened at this

It is impossible to point out anything else that happened at this time to precipitate a fall in prices.

Why should prices be on an ascending plane until 1873 and then suddenly take a declining plane, which becomes greater each year? There were no great inventions in that year to cheapen production and hence to reduce prices. That year marked no overproduction so as to account for the sudden change.

Any thoughtful mind, bent upon the ascertainment of the truth, must be convinced beyond doubt that the low prices the world over, commencing with the demonetization of silver, must have been caused by that and nothing else.

I have proven that all the accepted authorities upon financial questions agree that when you lessen the amount of primary money you lower the price of everything exchanged for money. I have shown that the wisest of statesmen and thinkers years before prophesied that if the world should ever discard either of the fore prophesied that if the world should ever discard either of the two money metals and adopt only one lower prices would result and the very disastrous conditions that now confront us would inevitably come. I have traced from facts and statistics, undisputed by anyone, that the fall in prices commenced, as foretold, precisely at the time that the world destroyed silver as one of the money metals. Can arguments or facts be more conclusive? I have shown that this fall in prices commenced in 1873, and resulted from demonetizing silver and destroying its monetary functions. Thus the proper relief from the present distress is plain and unmistakable.

The relief which will restore prices, revive business, encourage industries, inspire confidence, give employment to labor, and pay debts is the restoration of silver as one of the money metals, as it

existed prior to 1873.

We must right the crime of that year. We must leave the dark-ness in which we are now groping and return to the light and

sunshine we then left.

We do not know where this new departure on the gold standard will take us. We do not even know that prices have touched the bottom. We have no experience behind us to tell us what will be the ultimate effect of the gold standard. The world never tried the gold standard prior to 1873. Since its adoption, in falling prices, in the vast accumulation of debt, in the numerous and immense failures, in the frequent and great panics, in paralyzed business, in the mistrust and wretchedness which overshadow

business, in the mistrust and wretchedness which overshadow the country, we witness its ruinous effects.

I am no alarmist, but thought and reflection teach me that if the gold standard is to be permanently maintained and the policies and designs of its advocates, as here disclosed, to be carried out that we will witness a yet greater fall in the prices of all commodities, and a further shrinkage in all values, with their attendant evils. It is inevitable.

We have just completed a reassessment of the land in my home county, Pittsylvania, and in the city of Danville, situated therein. The lessons taught by it are significant. It presents how frightfully the gold standard is shrinking the value of lands. In 1890

The lessons taught by it are significant. It presents how frightfully the gold standard is shrinking the value of lands. In 1890 the real estate in Pittsylvania County was assessed at \$4,012,464. In 1895 the assessment amounted to only \$3,115,938, being \$846,528 less in 1895 than in 1890. With all the buildings and improvements put upon the lands their value was reduced in five years over 20 per cent. The supply of land did not increase during the five years, while the demand did on account of increased population. Thus, under natural conditions, we should have expected an increase instead of a decrease in its value from 1890 to 1895. The lands there will now scarcely bring half as much as they would prior to the demonetization of silver.

The assessment for the city of Danville presents the same re-

would prior to the demonetization of silver.

The assessment for the city of Danville presents the same remarkable conditions. In 1890 the real estate assessed in Danville amounted to \$5,170,928. In 1895 it amounted to only \$4,650,406, being a reduction of \$520,523. Here is a city with great improvements and buildings during this time, with increased population, yet, including all these, a reduction in five years of over half a million of dollars in real estate values.

Where we need a three starting figures, we can readily under-

When we ponder these startling figures, we can readily understand how farmers and business men who were formerly prosperous and rich find themselves bankrupt and impoverished. They have been ruined not by any fault of their own, but by the shrinkage in the value of their property. This shrinkage continues under this single gold standard, and no one knows when it will

cease.

The world's supply of gold is too small to give value to its immense amount of property. Each year witnesses a greater struggle for its possession, and hence a greater sacrifice of property to

obtain it.

The only way to remove the present evils and prevent the greater ones which await us is to again give silver the right of free and unlimited coinage at the mints.

This is the relief proposed by us in opposition to the Republican measure to sell five hundred millions of bonds and retire that

amount of paper money. We are prepared to appeal to the country upon the two methods of relief here presented.

The gold monometallist can not deceive the people by a pre-

tended friendship for silver in advocating an international agreement. There is not the remotest chance of an international agreement. The last hopes of one have disappeared. We were told to wait only until Lord Salisbury and the Tory party of England should come into power and soon an agreement would be reached. They have attained power by an immense majority and reached. They have attained power by an immense majority and have distinctly stated that England has no intention of changing her present gold standard or entering into any international agreement for the coinage of silver. France and Germany have distinctly stated that they would be parties to no agreement without England. Thus there is no hope for any international agreement. It is useless to discuss an international agreement which will never come. The people who advocate delaying action upon the silver question until an international agreement can be reached the silver question until an international agreement can be reached are not friendly to silver and only indulge in it to delay action by creating hopes which will never be realized. The people of the United States must continue the present gold standard or must alone adopt the double standard of gold and silver. This is plain and clear. It is an issue which must be met, and which politicians may try but they can not dodge nor deceive the people upon. If one favors the gold standard then he must approve the recent

sales of bonds, the present Republican measure to sell \$500,000,000,000 worth of bonds to retire that amount of paper money, and finally to destroy all the standard silver dollars. If the gold standfinally to destroy all the standard silver dollars. If the gold standard is to be maintained all of this will inevitably follow. It can not and will not be prevented. If one is opposed to all this and believes that it will bring disaster and not relief, then he should advocate that the United States should again reopen its mints to the free and unlimited coinage of silver and again make silver

the free and unlimited coinage of silver and again make silver money of primary payment.

I believe this. I am opposed to any sale of bonds. I am opposed to retiring the greenbacks and contracting the currency. I believe that the coin notes should be redeemed in either gold or silver, at the option of the Government and not of the holder. I believe that a continuance of the gold standard will precipitate a continued and a frightful fall in the prices of all commodities. I believe that it has more than doubled all debts, taxes, interest, and fixed charges. I believe that when our mints are opened to silver prices will advance and the present troubles will disappear. silver prices will advance and the present troubles will disappear. Being convinced that there is no chance for an international

greement, I am prepared to vote for this country at once to resume

the free and unlimited coinage of silver.

No evils which the distorted imaginations of those who oppose this have presented can equal those which I am convinced will

come if we continue the single gold standard.

I am convinced that the United States is able to do this and maintain all the silver coined at a parity with gold. I believe maintain all the silver coined at a parity with gold. I believe that when this is done silver bullion will rise in value until it is worth the coinage value. Every silver dollar coined to-day is at par with gold. It is only the uncoined silver that is not at par. All that will be coined at our mints and be made a legal tender will circulate at par with gold. We have experience in the past that should convince us that the United States is able to do this.

France from 1803 to 1873 by having her mints over to the free

France, from 1803 to 1873, by having her mints open to the free coinage of both gold and silver at the ratio of 15½ to 1, maintained that parity between them the world over. She was able to do this despite the great disparity existing during that time in the production and quantity of gold and silver. We to-day are more prepared to do this than was France when she maintained it.

Statistics in 1870 show that France had shown 10 peaces to 6 the

Statistics in 1870 show that France had about 10 per cent of the imports and exports of the world. In 1880 the United States had nearly 10 per cent of the imports and exports of the world. Mulhall, the world's greatest statistician, shows that the productive power of the United States is three times as great as was that tive power of the United States is three times as great as was that of France in 1870 in proportion to the rest of the world. In 1870 France furnished less than 12 per cent of the world's great agricultural products, while to-day we furnish about 20 per cent of the world's supply. France in 1870 produced about 13 per cent of the world's manufactures, and the United States to-day furnishes almost 31 per cent of the world's entire product. In 1870 France had about 72 per cent of the world's railway mileage, while the United States now has about 44 per cent of the world's entire mileage. In 1870 France's banking power in comparison with that of the world was 4 per cent, and the United States to-day has 32 per cent of that of the world. In internal commerce and business we greatly exceed the proportion that was then possessed by France. Our wealth to-day in comparison with that of the world far exceeds what France's was in comparison with of the world far exceeds what France's was in comparison with that of the world in 1870. Thus, by whatever test measured, the United States is able to do more than France did at that time. Yet from 1803 to 1873 France was able to maintain the parity between gold and silver the world over at the ratio of 15½ to 1. She did this despite the fact that at that time the average number of owners of silver in the world was thirt time the average number of owners of silver in the world was thirt time the average number of owners of silver in the world was thirt time average number of owners of silver in the world was thirt time average number of owners of silver in the world was thirt times average number of owners of silver in the world was thirt times average number of owners of silver in the world was thirt times average number of owners of silver in the world was thirt times average number of owners of silver in the world was the silver in the w ber of ounces of silver in the world was thirty times as great as the

average number of cunces of gold. To-day the number of cunces of silver in the world is about sixteen times as great as the number of cunces of gold—the ratio at which we propose to resume coinage. Thus to resume coinage as proposed the United States, with all its greater ability and power, would only have to do half as much as France accomplished for seventy years. There should be no question that we can do this. We are safe in making the venture. Success will crown our efforts. All we need is the courage and the resolution to establish our own financial system, suited to and the resolution to establish our own financial system, suited to our wants and needs. I am convinced by thought and study that the United States is amply able to resume the coinage of silver and maintain its parity. I am convinced that when this is done prices will be restored and general prosperity and progress will return. I am convinced that the paths that the single gold stand-ard men are trying to entice us into will but carry us further into the night of darkness and plunge us deeper into the abyse of sorrow and distress

Mr. Chairman, this great issue is now before the American people and they are starred upon it as they were never stirred before. They recognize the vast importance and the far-reaching consequences which will result from the proper settlement of this vital

question.

The coming great conflict, which will be fought to the finish, is the battle of the standards. The people have become tired of the miserable makeshifts and the temporary policies which the politicians have devised to avoid the settlement of this great question. The people can be no longer deceived.

The great masses of the people are convinced that the continuance of the gold standard only benefits the capitalists and money lenders and is destructive of the interests of the laborer, farmer, merchant, and the business man. Politicians may try, but they can not create false issues. Issues exist in the condition and in the minds of the people, and they must be met. This great problem can not be brushed aside. Each year it rises into more and more importance. more importance.

The intense struggle of the people for this reform is but a supreme effort on their part to release themselves from the greed, avarice, and domination of the moneyed classes.

The boast of the Democracy in all the years of its history has been that it is the party of the common people; that it is the champion of the rights of the toiling laboring masses. It has never espoused the cause of classes seeking to enrich themselves by depredation upon the masses. It is too late for it to do so now. It can not climb muon the gold-standard platform without trees. It can not climb upon the gold-standard platform without trespassing upon ground long since occupied by and belonging to the Republican party.

The issue is clear. The duty of Democracy is plain. It should

anake common cause with the people, remain true to its traditions and history, and carry the country back to that system and to those principles which our fathers founded and which gave us great prosperity and wealth, and the departure from which has brought us to our present woes and distresses. [Applause.]

War in Cuba.

SPEECH

HON. WM. C. ARNOLD.

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES.

Monday, March 2, 1896.

The House having under consideration the following resolutions:

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"Resolved by the House of Representatives (the Senate concurring), That in the opinion of Congress a state of public war exists in Cuba, the parties to which are entitled to beligerent rights, and the United States should observe a strict neutrality between the belligerents.

"Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

"Resolved, That the United States has not intervened in struggles between any European Governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba in consequence of its proximity and the extent of the commerce between the two peoples the present war is entailing such losses upon the people of the United States should be prepared to protect the legitimate interests of Americans by intervention, if necessary"—

Mr. ARNOLD of Pennsylvania said:

Mr. Speaker: Being in hearty sympathy with the spirit of the resolutions which have been submitted to the House by the chairman of the Committee on Foreign Affairs, Mr. Hirt, as a substitute for the concurrent resolutions of the Senate, with reference to a recognition of belligerent rights by the Government of the United States to the people of Cuba, who have maintained for the

past year and who are at the present moment engaged in a manly struggle to throw the yeke of Spain from off their necks and enjoy the blessings of a free and liberty-loving people, I gladly avail myself of the privilege accorded members of this House to submit a few remarks as to why, in my opinion, the subject-matter as contained in this substitute should become the expressed

sentiment of the people of our Republic.

Mr. Speaker, while it might be urged on the part of well-meaning members of this House that a policy of nonintervention between the contending forces on the part of the Government of the United States is the safest policy to pursue, yet there are certain circumstances in connection with this warfare between Cuba and Spain that would make it seem almost criminal to keep silent when liberty is being assassinated at our very doors. History furnishes abundant precedents for this step, and we only need refer to the act of Spain itself, which was swift to recognize the late Southern Confederacy. But, Mr. Speaker, I would not favor the adoption of this substitute in a narrow spirit of retaliation,

the adoption of this substitute in a narrow spirit of retaliation, but upon the high, broad, and sacred ground of humanity.

Gentlemen may say that by provision of international law we can not recognize the beligerency of the Cuban patriots. I deny it; and not having the time to refer to "case law," or precedents, I will content myself with the proposition that any so-called law which does not rest on the broad foundation of right, justice, and humanity has not and can not have the force of law. The Cubans which does not rest on the broad foundation of right, justice, and humanity has not and can not have the force of law. The Cubans for a long time have been surprisingly successful against the combined naval and military forces of Spain. They have in the field to-day a larger force of men than had the American colonies when recognized by foreign powers, and they are to-day engaged in the same kind of a struggle for their rights and liberties. They are absolute masters of a very large, if not the greater, part of the island, and have organized a government—provisional, it is true, but necessarily so—and have appointed ministers with authority to treat with foreign nations. What more will we ask? Shall we wait until the soldiers of Spain are exterminated or driven into the sea?

Again, the allegation of Spain that the insurgents are only a few bandits or guerrillas, and that a vast majority of the inhabitants of Cuba are loyal to the Spanish Government, can not be true, else why should Spain send thousands and tens of thousands of troops to the island?

But, Mr. Speaker, what does our neglect and failure to recognize as belligerents mean? It means that Spain can purchase of us any and all munitions of war, but Cuba can not have a musket or a cartridge; it means that if Cuba should obtain armed vessels and send them out on the high seas to attack the Spanish marines they would be adjudged pirates, and would have no protection or they would be adjudged pirates, and would have no protection or right of asylum in our ports; it means that every Cuban insurgent captured in battle will not be treated as a "prisoner of war," but captured in battle will not be treated as a "prisoner of war," but will be killed by the edict of a Spanish court-martial; it means that the recall of that humane Spanish general, Campos, and the appointment in his stead of one Weyler, is to be followed by savagery and murder, as certainly indicated by Weyler's orders already published; and it means that the bright pages of the history of civilization of the nineteenth century shall be blackened by deeds dark as any that have ever disgraced the history of human government. And for this accomplishment the Spanish Government is most competent and eager. The gross illiteracy and dense ignorance and brutish savagery of a very large majority of her people make her indeed the Turkey of Western Europe, and Spain is the only country on the globe claiming civilization whose morals, habits, and aspirations have remained unchanged throughout the instructive years of many centuries. But, it may be morals, habits, and aspirations have remained unchanged throughout the instructive years of many centuries. But, it may be asked, have we in our keeping the rights and liberties of the Cubans? Ah, Mr. Speaker, thousands of 'cars ago the question was asked by Cain, "Am I my brother's keeper?" and from that day down to this very hour every lover of right and justice and liberty has with eager lips responded, "I am my brother's keeper," and by tradition, history, and principle the United States, in a certain degree, is the protector and keeper of their brethren, and this nation is to-day—let Spain and England know it—the natural guardian of the rights and liberties of every nation and every people on this continent.

guardian of the rights and liberties of every nation and every people on this continent.

Cuba should be and will be free; she will not always submit to the gross injustice and tyranny of Spain. Though terrible the travail, liberty will be the offspring of tyranny. It will not be the policy of the United States to make war on Spain to capture Cuba. England (which now strongly advises us and other nations to refuse recognition), with its usual greed, captured Habana in 1762, together with about \$4,000,000, and only surrendered it in exchange for Florida. But, as I have said, this is not our policy, though the manifest destiny of the "Pearl of the Antilles" is a place in our crown.

place in our crown. From the days of the "Black Eagle," in 1839, down to this time, not twenty-five, not twenty, years have elapsed in which an effort has not been made by the Cubans for freedom. The torch of liberty, once lighted, never ceases to burn, and Cuba will yet be

In conclusion, shall we give them some hope by this action, or In conclusion, shall we give them some hope by this action, or shall we follow the suggestion of our Attorney-General [Mr. Harmon], who said: "It behooves all American citizens who have respect for the laws or obligations of their country to be neutral in word as well as in deed." Let us decide it now. Let us say now, authoritatively, by the adoption of this measure, what I believe 90 per cent of the American people have already said. For struggling Cuba scattering words of pity have but little value. Let us now, in Congress assembled, show to the Cuban patriots and to the world that we still worship at the shrine of liberty and that freedom will not call on us in vain.

Shall tongues be mute when deeds are wrought Which well might shame extremest hell? Shall freemen lock the indignant thought? Shall Pity's bosom cease to swell? No; guided by our country's laws

For truth, and right, and suffering man, Be ours to strive in Freedom's cause, As Christians may, as freemen can, Still pouring on unwilling ears
That truth oppression only fears.

"The fatherhood of God and the brotherhood of man" move us to delayed duty; common humanity demands action. Let it be flashed around the world that the United States of America hears and heeds the cry of liberty—Cuba must be free.

Cuba.

REMARKS

HON. JONATHAN S. WILLIS.

OF DELAWARE,

IN THE HOUSE OF REPRESENTATIVES,

Monday, March 2, 1896.

Mr. WILLIS. I ask that the Clerk read the pending resolutions. The Clerk read as follows:

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Resolved by the House of Representatives (the Senate concurring), That in the opinion of Congress a state of public war exists in Cuba, the parties to which are entitled to belligerent rights, and the United States should observe a strict neutrality between the belligerents.

Resolved, That Congress deplores the destruction of life and property caused by the war now waging in that island, and believing that the only permanent solution of the contest, equally in the interest of Spain, the people of Cuba, and other nations, would be in the establishment of a government by the choice of the people of Cuba, it is the sense of Congress that the Government of the United States should use its good offices and friendly influence to that end.

ment by the choice of the people of Casara. Government of the United States should use its good offices and friendly influence to that end.

Resolved, That the United States has not intervened in struggles between any European governments and their colonies on this continent; but from the very close relations between the people of the United States and those of Cuba, in consequence of its proximity and the extent of the commence between the two peoples, the present war is entailing such losses upon the people of the United States that Congress is of opinion that the Government of the United States should be prepared to protect the legitimate interests of Americans by intervention, if necessary.

Mr. SPEAKEE: We are confronted with the alternative of in-terfering in the affairs of a friendly nation, so called, or seeing unchecked tyranny despoil one of our neighbors whose struggles and sacrifices for liberty have for generations challenged the admiration of the world. The question is, How far and how long can we be justified in bartering human rights and human life through international treaty for the good will and smiles of enthroned depotitions? despotism?

How long is it our duty to stand by the highway and see the heart crushed out of the helpless by the foot of superior power for the sake of having it said that we have not broken our truce? If a

crushed out of the helpless by the foot of superior power for the sake of having it said that we have not broken our truce? If a strong man stops before your gate to rob and murder a feeble wayfarer how are you bound to tolerate the tragedy because of a former contract with the oppressor? How long shall we at our very doors permit the evening of the nineteenth century to be cursed with the horrors of the sixteenth?

How long ought the United States, the land of Washington and Jefferson, of Madison and Adams, of Monroe and Lincoln, which has put before the world the embodied formula that "All men are created equal"—which has sacrificed millions of lives and billions of treasure for the vindication of that principle—which has set itself in the forefront of the right wing of national progress—which has looked back on the laggard nations and beckoned them up with the right hand of fraternity; this land where there is no throne but the ballot box, and no king but the voter; the land of the free home, and the free press, and the free school, and the free Bible, and the gray eagle and the starry flag—the orifiamme of liberty—America! How long must she stand idly by and witness the cold and studied cruelties of half-civilized tyranny inflicted on an enslaved people within 150 miles of her coast?

We were shut out of Armenia by the Monroe doctrine, and there are those who would exclude us from the consideration of

Cuban affairs by the cry of "treaty rights" and "neutrality," But, sir, is it neutrality? Sir, the neutrality asked of us is but an alternation between the salaams of organized atrocity and the wailing appeals of human agony. It requires a guaranty of the bloody domination of the one and a merciless denial of relief to the other; an indifference to the strokes of the murderer and an insensibility to the cries of the victim. Sir, there are times when exigent right rises above the realm of politics, and even of statesmanship, and reaches the realm of philanthropy; and this is one of those times.

There is enough in the Cuban problem to warrant our interference from the standpoint of commercial interest and national self-

If the case of Cuba were transferred from America to Europe, we should soon see the military power of all the leading nations of that continent drawn up in battle line at the frontier of contention, and their squadrons of gunboats lying at the nearest offing waiting to be assured that no detriment came to their trade relations nor peril threatened their dominion. We have as much at stake—yea, more than Europe could have in such a contest. To say nothing of the destruction of our Cuban commerce and the say nothing of the destruction of our Cuban commerce and the material loss in that direction, we are imperiled by the possible issues of the conflict unless they be directed toward Cuban independence. That is the only sane, as it is the only merciful, solution of the problem. Spain must lose Cuba. That is inevitable. She has already exerted her utmost power, and exerted it in vain. Her army drafts have reached their possible practical limit. Her treasury is bankrupt, and her credit impaired almost to exhaustion. And yet the insurgent bands still have possession of five-sixths of the island, and hang daily on the flanks of the Spanish forces. The best general of the Kingdom has given up the cause as lost and gone home, and in his place Spain has sent over a military monstrosity; a half-demon representative of the times of Cortez, and Pizarro, and Torquemada, a being with a devil's head and a tiger's heart, that, like a sea monster struck by the lancers, she may make her death flurry her greatest jubilee.

Spain must lose Cuba. But into whose hands shall Cuba fall?

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Spain must lose Cuba. But into whose hands shall Cuba fall?

Suppose Spain, realizing the impossibility of holding her, should bargain for her transfer to some foreign power in order to replenish her bankrupt treasury. The United States would not submit to that, and a war would be the result—probably a great and devastating war. This country would be blind and mad to permit any other foreign power to hold the key to the trade of Central and South America by way of the Caribbean Sea and Gulf of Mexico and the Mississippi. This country would be blind and mad to allow any great foreign power to set up a vast naval emporium within 200 miles of her coast, especially in addition to Jamaica, Bermuda, and Halifax. We are already virtually shut out from the seas. The gates of the Pacific have been practically closed against us. With the exception of Hawaii and Samoa, there is scarcely in that vast ocean a volcanic mound as big as a kitchen garden over which has not been raised a foreign flag; and unless garden over which has not been raised a foreign flag; and unless we intend to content ourselves with our coastwise trade and inter-state commerce, unless we intend to abandon the water and take

state commerce, unless we intend to abandon the water and take to the woods, we must preserve our rights against the encroachments of the maritime nations of the world.

I say, sir, there is enough in this Cuban problem on the plane of merely material rights—the filthy lucre of national interests—to warrant our interference. But in a contention like this these are scarcely worth naming. When weighed against a human life, a human soul, all the sordid treasures of avarice are as a dust of the belance. In the recyclence of God if there is conthing for which balance. In the providence of God, if there is one thing for which the American Republic above all other things was intended, it is to teach the world the value of a man. With this idea as the central thought, it will be possible at last to mitigate and eliminate the despotisms of earth and lift the multitudes into the light of

Sir, the resolution under consideration is as kindly as friend-ship should require, as moderate as statesmanship should ask, as little as truth can demand, and even less than humanity would

We have no disposition to provoke Spain, and we will not do it needlessly. We want her friendship. Her prosperity would give us pleasure. We should love to see her do honor to her ancient privileges and take her place among the civilizers of modern times. In such a posture we could forgive, if not forget, her old record of the past. If she would learn the lesson that to retain power she must use it prudently; if she would cease to believe that cruelty strengthens the State, that the sacrifice of the help-less can stifle the cries of liberty, that injustice and robbery and torture can create respect for her authority; if she would take counsel of such men as her Castellar and her Campos; if she would disclaim to the decad misuals and her can be a counterface. would disclaim by a new régime the dread misrule and butcheries of four centuries, then we stand ready to go hand in hand with her to make better the condition of the race and to augment the happiness of the world.

Sir, it can not be fairly charged against the United States that

we have an itching palm for conquest. We spurn the idea that we seek territorial extension. We laugh at the thought that our policy is based on commercial greed. It is a libel. Every decade of our existence disproves it. Our whole history gives it the lie. Our ideal is that of diligence, intelligence, thrift, and morality. These we promote, and we promote them for the sake of justice, humanity, and happiness. These are the essentials of good government, and beyond these we desire not to go. We rejoice in our attitude; we are proud of our principles. And there is no just nation on the face of the earth which may not live with us in a state of uninterrupted peace. Sir, it is because of these views and this spirit that I give my support to this resolution. In my own heart I feel like taking a step even beyond this. I could vote for the immediate recognition of Cuban independence. I think such a step might be warrantable in the present conditions. But I am willing to stop here and wait for a time the issue of events. And mark my prediction, the independence of Cuba is the inevitable outcome. It will be achieved by the insurgents, sustained by the nations, and in a short time Spain herself will cease to regret it.

In the discussions of this question at the other end of the Capitol extensive quotations have been made from the history of the last Cuban insurrection, when the notorious Valmaceda was governor and commander of the Sensieh save and Wayler the reserved

tol extensive quotations have been made from the history of the last Cuban insurrection, when the notorious Valmaceda was governor and commander of the Spanish army and Weyler, the present incumbent, was one of his subordinates. If those accounts are true, then they are enough to "turn the cheek of darkness pale." If those accounts are true, then the devil was holding carnival in the guise of a Spaniard. If those accounts are true, then there is a hell, and it has visited Cuba. But are those accounts true? I trust not. The gentleman from Georgia [Mr. Turner] has in his remarks in this Chamber denied them—not because he could disprove them, but because his own just and gentle nature instinctively repels their possibility. I trust his noble impressions are a true interpretation of the facts, for it would be an unspeakable calamity to be forced to admit that there are within the able calamity to be forced to admit that there are within the bounds of Christendom beings called men so utterly lost and im-bruted as to perpetrate deeds too damnable for other men to be-

But there are about this case some facts well calculated to create doubt. When General Campos was recalled, for the asserted reason that he proposed to conduct the Cuban conflict upon the principles of civilized warfare, the Spanish Government failed to find anyone suited to succeed him save this same Weyler, against whom all these paralless enormities had been charged. And to whom all these nameless enormities had been charged. And to show the spirit of the case and the policy to be pursued, I intro-duce two proclamations with which this person has inaugurated

PROCLAMATION NO. 1.

First. Those who invent or circulate by any means whatever news or information directly or indirectly favorable to the rebellion will be considered guilty of acts against the security of the country, as defined by article 23 of the Military Code, as they thereby facilitate the operations of the enemy. Second. Those who destroy or damage railroads, telegraphs, or telephones, or interrupt the operations of the same.

Third. Those who are guilty of arson. Fourth. Those who sell, carry, or deliver arms or ammunition to the enemy, or in any other way facilitate their introduction through the custom-houses. Parties failing to cause the seisure of such arms or ammunition will incur criminal responsibility.

Fifth. Telegraph operators delivering war messages to other persons than the proper officials.

Sixth. Those who by word of mouth, through the medium of the press, or in any other manner shall belittle the prestige of Spain, the army, volunteers, firemen, or any other forces operating with the army.

Seventh. Those who by the same means shall praise the enemy.

Eighth. Those who act as gries will be numbed to the fullest extent of the

of warfare.

Ninth. Those who act as spies will be punished to the fullest extent of the

Ninth. Those who act as spees will be placed in the enemy and fail to surrender themselves immediately and give proof of their loyalty and report the strength of the force employed by the enemy.

Eleventh. Those who shall adulterate the food of the army or alter the prices of provisions.

Twelfth. Those using explosives in violation of the decree of October 17, 1895. Thirteenth. Those who shall use pigeons, rockets, or signals to convey news to the enemy.

PROCLAMATION NO. 2.

First. All the inhabitants of the country within the jurisdiction of Sancti Spiritus and the provinces of Puerto Principe and Santiago will present themselves at the headquarters of a division, brigade, or column of the army, and provide themselves with a document proving their identity inside of eight days from the publication of this order in their respective townships. Second. To go into the country within the radius of the columns operating therein, it is now necessary to obtain a pass from the mayor or military commander. Those falling to comply with this requirement will be detained and sent to Habana subject to my orders. In case of doubts as to the genuiness of a pass, or if there are reasons to suppose a party to have sympathy with the rebels, or to aid them in any way, due responsibility for the same will be placed upon the officer issuing the pass.

Third. All stores in the country districts must be vacated at once by their owners. Chiefs of columns must also decide as to the disposition of such property which, while being unproductive to the country, may at the same lines serve as the habitation or hiding place for the enemy.

Fourth. All passes issued prior to this date are hereby canceled.

After reading these proclamations is it hard to believe the

After reading these proclamations is it hard to believe the stories of his performances in the former war? Isho not a type of his illustrious predecessors, who devastated Mexico, ravaged South America, and swept the Netherlands with a tornado of fire and

blood and butchery? And what may be said of the treatment of Cuba in the present and during the former insurrection may be said of her treatment from the beginning. The very first governor that set foot upon her soil, Diego Velasquez, met the full measure of the Spanish policy of blood. So unrelenting was his despotism, so terrific his cruelties, that the old aboriginal chief Hatuei said, in the extremity of agony, before he closed his eyes upon his torturers and upon the world, that if there were Spaniards in Heaven he preferred to go to hell.

despotism, so terrific his cruelties, that the old aboriginal chief Hatuei said, in the extremity of agony, before he closed his eyes upon his torturers and upon the world, that if there were Spaniards in Heaven he preferred to go to hell.

A Spanish constitution was formed in 1812, intended to apply alike to the home provinces and to the ultramarine as well. It was the product of the remaining spirit of the Aragonian Kings which had not quite died out. But before it materialized Ferdinand VII regained the throne, and at once tore it into shreds and flung it to the winds. It was revived in 1836 by the Cortes, but despotic intrigues prevailed, and it was only applied to the home provinces while denied to those beyond the sea, and Cuba was again left in chains. Her brave people rose in 1868 and waged an earnest war for ten years, and were at last wheedled into submission by promises that were never kept. Once more they have struck for liberty. They have held in check for more than a year a Spanish army of a hundred thousand men. They are in possession of four-fifths of the island. They have organized a government. They have been brave in battle, courageous in suffering, and undismayed in the face of Herculean obstacles. And now they cry to us in the language of a common humanity to recognize them as men, as soldiers, as heroic strugglers for freedom.

To America they cry! the great sister in the family of the world's Republics, the advance guard in the immortal host of liberty. Shall we refuse them? We dare not! Justice would reprehend the refusal, humanity would frown upon it, God would curse it. Let us take warning of our privileges; let us use well our divine charter. We are not our own; we belong to the world. All mankind have property rights in our exaltation. Our national life is the product of impartation, and will only live by the same law. Let us beware. The Hindoo fanatic holds his arm above his head until it stiffens in the air and becomes useless. The pure and purling stream may be dammed up until it

Against Filled Cheese.

REMARKS

HON. SAMUEL A. COOK, OF WISCONSIN.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 15, 1896,

On the bill (H. R. 8008) defining cheese, and also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of "filled cheese."

Mr. COOK of Wisconsin said: Mr. Speaker: Under leave to print given by the House I hereby submit the following as an appendix:

Mr. Speaker: Under leave to print given by the House I hereby submit the following as an appendix:

The Farmers' Trade-Marks—"BUTTER" AND "CHEESE."
[Extract from the speech of Hon. Nelson Dingley of Maine.]
This is exceptional legislation. It is an appeal to the taxing power of the General Government for the purpose of accomplishing indirectly an end that is in the nature of the exercise of the police power, which belongs to the States. That, I think, must be conceded. While the measure is constitutional, under the decision of the Supreme Court of the United States, as an exercise of the taxing power of the General Government, yet I am frank to concede that the purpose had in view beyond the raising of revenue involves indirectly the exercise of a police power which, in general, should be exercised by the States.

Now, what are the circumstances which justify, from the point of view I have suggested, such legislation as the oleomargarine law and such legislation as is proposed in this bill? It seems to me that the circumstances to be considered are these: A great and overshadowing interest in this country, the most important interest in the country, has been seriously interfered with illegitimately by the discovery of certain methods of imitating products which have belonged to the farm. In my judgment, the name "otherses," though not legally trade-marks, are, to all intents and purposes, from the point of equity, trade-marks that belong to the farmers of this and other countries; and any attempt on the part of anyone to palm off on the community imitations of these products and to sell them as the public interest that if this illegitimate interference can not be reached efficiently and effectively by the States there is a justification in an appeal to the General Government to exercise its taxing power for the purpose of saving to the farmers of this nation the rights which properly and equitably belong to the farmers of this nation the rights which properly and equitably belong to the farmers of this nation t

RESOLUTIONS OF THE NEW YORK PRODUCE EXCHANGE.

New York, January 30, 1896.

Sire: I have the honor to transmit to you the following resolutions, which were unanimously adopted at a meeting of the members of the cheese trade of the New York Produce Exchange held yesterday, namely:

"Whereas the Hon. S. A. Cook, member of Congress from Wisconsin, has introduced in Congress a bill known as House bill No. 3010, providing for the regulating of the manufacture and sale of an article called 'filled cheese'; and "Whereas the members of the New York Produce Exchange engaged in the cheese business recognize the great harm inflicted on the manufacturers of and dealers in pure full cream cheese, as well as the consumers of the same throughout the entire country, by the manufacture and sale of an article made of skimmed milk and filled with lard oil and other fast to imitate the pure full cream cheese, and to deceive the consumers of the same: Therefore, "Be if resolved, That the members of the New York Produce Exchange heartily indorse the bill offered by the Hon. S. A. Cook, of Wisconsin, and earnestly arge the prompt action of the members of the House of Representatives and the Senate of the United States on this measure and its speedy passage, that the manufacturers and consumers of pure full cream cheese throughout the country may be protected against the injury inflicted on them by the rapidly increasing manufacture and sale of an article which has the semblance of the pure full cream cheese, to the detriment of the manufact er of the pure product of the dairy."

Respectfully,

FRED'K H. ANDREWS, Secretary.

FRED'K H. ANDREWS, Secretary.

Hon. S. A. Cook, House of Representatives, Washington, D. C.

Note.—The foregoing resolutions were also passed by the New York Mercantile Exchange on January 29, 1896.

NEW YORK, January 7, 1896.

NEW YORK, January 7, 1896.

"filled cheese," introduced by you in the House, and we are sure we express the unanimous feeling of the merchants in our city who are engaged in the butter and cheese business when we say that the provisions of this bill meet with their views in every way, and we would all be pleased to see it passed and become a law without any delay.

The adulteration of cheese has assumed enormous proportions in the last few years, and through its agency we can see our principal markets for pure goods being closed against us. The exports of cheese from our city from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1896, to January 1, 1896, were 45,479.000 pounds; from May 1, 1

GEORGE B. DOUGLAS & CO.

Hon. S. A. COOK.

FORT ATKINSON, WIS., February 22, 1896.

DEAR SIR: I have the honor to inclose herewith copies of a memorial and a resolution which were adopted at the recent convention of the Wisconsin State Dairymen's Association held at Chippewa Falls. We had a large and enthusiastic meeting there, with representative men from various parts of the State, and there was no division of sentiment as to the desire to have Congressional legislation along these lines. * * *

I have the honor to be, very respectfully, your obedient servant, GEO. W. BURCHARDS.

Hon. S. A. Cook, House of Representatives, Washington, D. C.

Hon. S. A. Cook,

House of Representatives, Washington, D. C.

MEMORIAL TO CONGRESS.

To the honorable the Congress of the United States:

The memorial of the Wisconsin State Dairymen's Association respectfully represents to the Senate and House of Representatives of the United States that it is assembled in its twenty-fourth annual convention in the city of Chippews Falls, with dairymen and farmers in attendance literally from parts of the State; that it is now and for many years past has been the accredited representative and exponent of the dairymen and dairy interests of the State of Wisconsin, and receives from the State treasury by annual appropriation a considerable sum of money to assist it in promoting the subjects which are committed to its supervision.

Your memorialist therefore prays that the statements and the petition contained in this appeal may be accepted as though signed in person by the owners of the nearly 1,000,000 cows in the State, and an equally large number of persons who are desirous of securing pure dairy products for use on their own tables and at the tables of the hotels, cating houses, and restaurants where they are obliged to eat when away from home.

Wisconsin has an annual choese product of over 50,000,000 pounds, all manufactured under the most efficient laws to prevent its adulteration or sophistication, but in the markets of the world, both foreign and domestic, this cheese has to come in competition with an adulterated article made from skim milk and lard and other cheap and unwholesome fats, and so shaped, colored, trimmed, and even marked as not to be distinguished from the genuine product. The result is, not only that every pound of this filled choese displaces a pound of pure cheese, but its unsavory and unsatisfying quality disgusts the would-be consumer, and he forbears thereafter to purchase cheese of any kind. It results further that the demand for cheese being thus leasened, more and more milk is turned to the production of butter, and the production of this articl

A true copy.

Secretary Wisconsin Dairymen's Association.

MEMORIAL OF CITIZENS OF NEENAH, WIS., MOBILE, ALA., AND OTHERS,
FAVORING PASSAGE OF H. R. 2010.

To the Chairman and Committee of Ways and Means, to whom was referred
House bill 3010, to regulate and control the manufacture and sale of the
article known to the trade as "filled cheese":

We, the undersigned, feeling the great injury this article is doing to the
market for dairy products and the ruinous effect it is having on the great

dairy industry of the United States, especially in the manner in which it is placed on the market, branded as "cream cheese," "full cream," etc., do earnestly ask that you will do all in your power that the bill may be enacted into law.

Signed by N. Simons & Co., of Neenak, Wis.; W. F. Abrahams, of Mobile, Ala., together with names of 478 citizens of the cities of Mobile, Ala., Neenah, Menasha, and the towns of Clayton, Manchester, Winneconne, and Vinland, Wis., consisting of merchants, manufacturers, cheese makers, farmers, and tradesmen, introduced by Mr. Cook.

FEBRUARY, 1896.

VAN DYNE, WIS., January 30, 1896.

VAN DYNE, WIS., January 30, 1896.

DEAR SIR: Please find inclosed petitions signed by our milk producers and manufacturers. Every man that I approached on the subject was only too glad to sign it. Owing to the stringent law now in existence in Wisconsin, I believe there is but little, if any, manufactured in this State. The trouble that now exists is this: We are virtually boycotted from the English market on the ground that we are still manufacturing filled cheese, which we have every reason to believe is not a fact.

I remain, as ever, yours, truly,

Hon. S. A. Cook, Washington, D. C.

Hon. S. A. Cook, Washington, D. C.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, engaged in the dairy industry of the United States, believing that this great industry is being ruined by an article that is manufactured from materials other than milk or cream, known to the trade as "filled cheese," but which is sold without brand or register to show the real character of the article, and is placed upon the market as American cream cheese, thereby causing serious damage to legitimate dairying interests:

Therefore, we, the undersigned, do respectfully petition your honorable body that bill (H. R. 3010) relating to the manufacture and sale of "filled cheese" may be enacted into law.

And your memorialists will ever pray, etc.

James B. Watson, general store; Charles Nable, Humphrey L. Williams, Werner Disch, Richard Price, Fred Bladow, Albert Wilke, farmers, and carry milk to cheese factory; E. Hoyt, stock buyer; Gustav Wilke, John McArdie, Chas. Tonk, Herman Schultz, John J. McGowan, H. Bamtrock, Carl Knalk, Herman Marth, farmers, and carry milk to cheese factory; Tim Bergin, farmer and milk producer: Robert Gralaff, Ferd Freiberg, Henry Rickert, Robert Fox, Charles Finder, David Price, Julius Wachholz, Willie McMonagle, D. R. Watson, farmers and dairymen.

NEENAH, WIS., February 1, 1896.

DEAR SIR: Yours of the 30th to hand and noted. I see that you are getting support by the New York Produce Exchange, and also other States that are interested in honest dairy products are supporting your bill. I have no doubt but what your bill will go through but it will be hard work, as is the case with any honest bill that is brought before Congress; but I hope that the committee will give it due consideration and will report favorably upon it, and if they do so they certainly will do a great deal of good to the whole country.

and if they do so they certainly will do a great deal of good country.

We see that gold is going out of the country, and if we had made honest products we could have had \$3,000,000 or \$4,000,000 of this gold in this country. As it is we are about this amount of money short on cheese alone, to say nothing about other dairy products. And if this law is passed it will have a great effect upon the dairy products in this country for the coming year, and there is no doubt but what all the foreign nations will be looking this way for a good share of their cheese and will have a great deal more confidence in them than they are having at the present time.

Hoping that you will get the bill through, I remain,
Yours, very truly,

Manufacturer and Dealer in Cheese and other Dairy Froducts.

Hop S A COOK. Washington, D. C.

Hon. S. A. Cook, Washington, D. C.

To the Senate and House of Representatives in Congress assembled;

In regard to House bill 3010, to regulate and control the manufacture and sale of the article known to the trade as "filled cheese," we, the undersigned, feeling the great injury this article is doing to the market for dairy products, and the ruinous effect it is having on the great industry of the United States, especially in the manner in which it is placed on the market, branded as "cream cheese," "full cream," otc., do earnestly ask that you will do all in your power that the bill may be enacted into law.

Signed by Otto Funk and 124 others, farmers, cheese makers, and dealers of Calumet County, Wis.

BERLIN, GREEN LAKE COUNTY, WIS., April 10, 1896.

I and all the neighbors want your antifilled-cheese bill passed.

Dairying is the principal business in this locality.

Yours, very truly,

Hon. S. A. Cook, Washington, D. C.

BRILLION, WIS., January 27, 1896.

BRILLION, WIS., January 27, 1896.

DEAR SIR: Your letter regarding the bill (H. R. 3010) defining cheese and also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of filled cheese at hand. As I am not able to be present at the hearing of said bill, I will do as you requested, state my opinion on same in writing.

As far as I have learned, the people in this vicinity are heartily in favor of said bill, as I am myself.

Very respectfully,

PETER REUTHER.

Hon. CHARLES H. GROSVENOR, M. C., Washington, D. C.

My Dear Sir: I write you in regard to the bill (H. R. 3010) "defining cheese,"etc. Now, I do hope your committee, to whom the matter is referred, will do all it can to see that the rights of the dairymen of this country are protected against this humbug, "filled cheese," which honest dairymen have had to contend with in the last few years. It has almost ruined our Wisconsin cheese, so much so that the dairymen have become discourseed. This is an important matter, one of vital interest to the country, and I hope that yours, very respectfully,

President of the Calumet County Dairy Board of Trade.

Hon. James A. Tawney, M. C., Washington, D. C.

BRILLION, WIS., January 31, 1896

DEAR SIE: Hope the bill to regulate the manufacture and sale of filled heese will become a law. This is also the feeling around here.

Yours, truly,

W. V. McMULLEN.

S. A. COOE, Washington, D. C.

CATO, MANITOWOC COUNTY, Wis., January 23, 1896.
Copy of filled-cheese bill, H. R. 5010, received. I consider it a good bill, and every dairyman in Wisconsin will sign a petition favoring it, and they will say the tax and license in your bill is not too high. If you can get the bill through you will have done a great work for the dairymen and farmers of Wisconsin and all other States. The filled-cheese manufacturer is in no wise a dairyman. He is getting rich out of the honest farmer in a dishonest way.

Yours, truly,

Hon. S. A. COOK, Washington, D. C.

C. W. SWEETING.

Uniform Law on the Subject of Bankruptcy.

REMARKS

HON. JOSEPH E. WASHINGTON,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, April 28, 1896,

On the bill (H. R. 8110) to establish a uniform law on the subject of bank-ruptcy throughout the United States.

Mr. WASHINGTON said:

Mr. WASHINGTON said:
Mr. Speaker: It has been said by some who are opposed to bankruptcy legislation that the Torrey bill reported from the Judiciary Committee is unfair to debtors in that it could be made a cruel instrument of oppression in the hands of their creditors. The provisions of the bill contradict this statement.

EFFECT OF A BANKRUPTCY LAW

Under existing State laws creditors individually have their rights and remedies against their debtors; they will continue to have them just the same even if this bill should pass. Under existing laws debtors must respond so far as they can to all of their legal liabilities to individual creditors; they must continue to do so whether this bill pass or not. The elements added to present conditions by the passage of this bill, broadly stated, are simply these: A debtor may be a defendant at small expense in one suit in which the judgment if rendered against him will be for the financial benefit of his creditors collectively, and he will secure a discharge, if honest, instead of being a defendant at large expense in many suits in which the judgments if rendered against him will be for the selfish financial benefit of only the one, two, or three creditors instituting suit, and without securing a discharge. creditors instituting suit, and without securing a discharge.

"The greatest good to the greatest number" is the principle invoked by this bill.

"The greatest good to the greatest number" is the principle invoked by this bill.

Usually, under the present State laws, when the lawsuit is over among his creditors, in their individual capacities, the debtor is without property, a considerable part of what he had has been spent in costs, and he owes all of his debts, except such as may have been paid by a sacrifice sale of his property. Pursuant to the proposed bill, both the debtor and his creditors will be in a better condition than under present laws. In the event of dishonesty on the part of a debtor or of his becoming insolvent and numble to prevent protracted defaults upon payments due or a distribution of his estate other than ratably among creditors of the same class, he will be adjudged a bankrupt after a fair and impartial trial. In that event he will receive his exemptions according to the laws of the State in which he lives and be discharged if honest. If dishonest he will not be discharged, and may be punished. Those who contributed at least a part of his estate will collectively receive, promptly and at small cost, a share of it, according to their equities, instead of having it at great cost, divided between only a few of them.

The bill under consideration does not contain any provisions by which business or enterprises will be originated or conducted, but in its general character, so far as it relates to the estate, is approximately to those who buy, to those who sell, and to those who labor what a probate law is to those who sell, and to those who the never-ending burden of misfortunes which must be continuously borne under present laws.

THE RUMBER WHO BECOME BANKRUPTS.

THE NUMBER WHO BECOME BANKRUPTS

At the request of the chairman of the Judiciary Committee the

At the request of the chairman of the Judiciary Committee the Statistician of the Treasury Department has furnished a table of the commercial failures of the last seventeen years, which I will publish as a part of my remarks.

These tables are very interesting, in that they furnish an unerring index to the commercial and industrial importance of the several States; indicate where business and enterprise are on the increase; and point out with unerring aim the States in which the laws are the most effective in preventing the debtors on the

one hand from imposing upon their creditors, and on the other hand preventing creditors from taking undue advantage of their debtors and of each other. One of the most interesting facts shown by these tables is that only a little over 1 per cent fail per annum of all the individuals, firms, and corporations engaged in all classes of business and all sorts of enterprises—the little and the big, the old and the young, the experienced and the inexperienced, and the honest and the dishonest in every State and Territory of the United States. ritory of the United States.

One would think from remarks which have frequently been made by those opposed to bankruptcy legislation that the passage of a bankruptcy law was designed to do great damage to a very large percentage of all the business and industrial concerns in the country; but it is apparent from these figures that they are

The number of suits under a bankruptcy law, after the voluntary cases in bankruptcy arising from failures which have occurred prior to the passage of this bill shall have been disposed of, will be very small indeed as compared with the great number of persons, firms, and corporations engaged in commercial and industrial transactions. About ninety-nine out of every one hundred of these energed in all lines of hydrogen descriptors and corporations. industrial transactions. About ninety-nine out of every one hundred of those engaged in all lines of business and every sort of enterprise in the whole country will have absolutely nothing to do with the bankraptcy law except in so far as they may have claims against the other one of the one hundred who may become a bankrapt. The percentage of those who fail in small places will be very much smaller than the average for the whole country. That the proportion of failures in large places is greater than in small places grows out of the fact that in the smaller places and in the country the surrounding conditions are very much less complex. country the surrounding conditions are very much less complex

country the surrounding conditions are very much less complex than in the larger places.

These tables show that since the repeal of the last bankruptcy law—that is, during the last seventeen years—171,889 persons, firms, and corporations have failed. These are the known figures as recorded by the mercantile agencies. The probabilities are that a very large number of failures have really occurred which have not been included in this list—failures which for one reason or another were not made public. It seems to me that the demand upon us to give to this great number of people their constitutional rights is importative.

apon us to give to this great number of people their constitutional rights is imperative.

At all times in the future let us hope that this bill, as it may be wisely amended from time to time, will be upon the statute books to the end that bankruptcy cases may be disposed of as they occur. All of our citizens have their rights under the Constitution; they should be available to them at all times; they ought not to have to wait seventeen years for relief. It is to be hoped that there will never again be such a great accumulation of bankruptcy cases as at present. at present.

THE COMMERCIAL AND INDUSTRIAL FAILURES IN TENNESSEE.

The tables furnished by the Statistician of the Treasury Department as above include one relating to my State, which, being of great local interest, I will print in full, as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Liabilities.
1879 1880 1881 1882 1883 1883 1884 1885 1886 1886 1886 1889 1890 1890 1891 1891 1892	152 105 187 164 220 238 282 154 206 219 257 428 299 416 347 273	8, 738 9, 865 11, 886 12, 217 13, 143 14, 321 12, 414 12, 905 12, 875 13, 553 13, 982 14, 474 14, 874 14, 871 14, 275	1.74 1.07 1.50 1.34 1.68 1.68 1.27 1.22 1.58 1.52 1.58 2.86 2.91 2.46 1.90	\$1,569,671 1,051,219 1,303,353 1,652,854 974,355 1,654,661 1,806,610 1,479,639 1,489,664 1,555,62 2,203,530 6,334,289 2,241,30 6,755,644 3,141,26
Totals and average	. 4,143		1.83	44, 188, 808

I am anxious that so many of the persons and firms as have failed in Tennessee during the last seventeen years and are hon-est and have not secured a settlement shall be discharged without unnecessary delay. This bill will secure to them that humane

privilege.

The percentage of those engaged in conducting business and promoting enterprises who fail annually in Tennessee has been larger during the last seventeen years, I regret to note, than the average for all of the States. Our average for the whole term is 1.83, while for the whole country it is only 1.02. I am at a loss to know why this should be so. It can not be that our people are less honest than in other States; it can not be that our pusiness enterprises are less remunerative than in other States, or that our enterprises are more difficult to conduct. The figures are, without doubt, reliable, and they show conclusively that our people

are at a disadvantage under present laws. I therefore am com-pelled to conclude that a just law, operating alike in all of the

pelled to conclude that a just law, operating alike in all of the States, must result in removing our disadvantages, from whatever source they may come, and in promoting our general welfare. In the absence of a bankrupt law every train load of goods which is transported to any State represents not only the cost and a percentage of profit to those who send them, but in addition a percentage as an insurance against wrongdoing under imperfect laws, which seem neither to adequately protect the debtor from the avarice and greed of his creditors nor the creditors from the chicanery and wrongdoing of their debtor. Every draft which is sent from a State to pay for the goods received contains an amount greater than it ought to. This added amount has been collected as a tax upon the honest people of the State for the tains an amount greater than it ought to. This added amount has been collected as a tax upon the honest people of the State for the wrongs of the dishonest and the misfortunes of those who have homestly failed. The same is true of every State in the Union. It is greatly to be regretted that this additional cost of commodities should have to be borne by the honest consumers. This additional percentage is charged by the manufacturers and wholesalers to the retailers; the retailers in turn charge it to the consumer, so that in the end the great mass of honest consumers pay for the wrongs, chicapery, and franks of the dishonest for pay for the wrongs, chicanery, and frauds of the dishonest few

and those who are honestly unfortunate.

Let us, then, join in the enactment of a good, safe, humane bankrupt law which will remedy the foregoing evil.

THE FAILURE OF OLD BANKRUPTCY LAWS.

It is true that our bankruptcy laws have not heretofore proven entirely successful; the same is true of other important laws. When other laws have not proven satisfactory they have been amended. What would have been thought of Congress in the early days of the Government if it had repealed all laws which did

not give entire satisfaction, instead of amending them from time to time as wisdom and the demands of the people indicated?

The present bill is superior in all respects to the old laws, and its passage is demanded by the whole country. I will print with these remarks some newspaper clippings which voice this demand.

remarks some newspaper clippings which voice this demand.

THE STATUS OF THOSE WHO HAVE HERETOFORE FAILED.

This bill embraces both voluntary and involuntary bankruptcy.

Those who have suffered failures in the past may go voluntarily into bankruptcy, but can not be proceeded against by their creditors.

The commission of an act of bankruptcy will alone be a ground for the commencement of proceedings by creditors against a debtor. The acts constituting bankruptcy are prescribed in the bill. It follows, therefore, that acts of bankruptcy can not be committed nor proceedings commenced on account thereof until after the bill shall have gone into full force and effect.

committed nor proceedings commenced on account thereof until after the bill shall have gone into full force and effect.

THE SCOPE OF THE TORREY BANKRUPTCY BILL.

Ordinarily, when a grant of power is given to a legislative body there is a tendency to strain the grant to the utmost, to the end that all the powers possible may be exercised. It affords me pleasure to say that this bill is not open to this criticism. The language of the Constitution is:

The Congress shall have power * * * to establish * * on the subject of bankruptcies throughout the United States.

This bill seeks rather to confer upon the United States courts as Ittle, rather than as much, power as possible. In the practice under the last bankruptcy law it was frequently desirable to force a man into or keep him out of bankruptcy, because to make him amenable to such law would change the rule relating to the taking amenable to such law would change the rule relating to the taking of evidence, or otherwise change his status or vary his rights or those of his creditors. One of the provisions of that bill was that the wife of a bankrupt might be required to testify, and hence it was frequently very desirable to have a debtor adjudged a bankrupt in States where the wife could not be compelled to testify if it was thought she knew anything detrimental to her husband in the management of his property. This bill does not seek to distort given conditions, but simply to furnish an equitable rule for working them out in a way that will not constitute a hardship on the parties in interest. the parties in interest.

There was no discussion in the constitutional convention as to

There was no discussion in the constitutional convention as to the propriety of granting to Congress the right to enact uniform laws on the subject of bankraptcies. None of the States, when considering the Constitution, objected to that provision.

Both the provisional and permanent constitutions of the Confederate States contained a similar provision.

No matter whether we agree that the power to pass a bankraptcy law is a proper provision in the Constitution or not, it is there, and Congress alone can do so, and the Federal courts alone can be compelled to enforce it. It has been repeatedly held that State courts can not be required to enforce a Federal law. If it could be done, and the law were to be enforced entirely in the State courts, there would be such a diversity of constructions that the law in its application would certainly be very far from uniform. If it were possible to have the law enforced partly in the State and partly in the Federal courts, and we should attempt to do so, there would be great danger of unfortunate conflicts between such courts. veen such courts. When the States surrendered to the United States the right to

pass a bankruptcy law they also surrendered the right to have such a law construed by and enforced in the United States courts.

Any gentleman who thinks he is wiser than the men who framed the Constitution is welcome, so far as I am concerned, to try to circumvent the Constitution by any kind of a State-National law which his fancy may dictate, but for myself I am unwilling to be a party to any experiments.

I accept the Constitution as I find it and am willing to carry out its provisions in a plain, simple way for the benefit of the people, and therefore I heartily favor this bill.

VOLUNTARY BANKRUPTCY.

I deem it almost unnecessary to state that voluntary bankruptcy means that a man may file his own petition and ask for relief under this bill, and that involuntary bankruptcy means that the creditors of a debtor may in like manner file a petition against him and ask for relief under this bill, and that each kind of bankruptcy after the adjudication is received the sense; that the bankruptcy after the adjudication is received the sense; that the bankruptcy after the sense. ruptcy after the adjudication is precisely the same; that the bank-rupt would retain his exemptions and, if honest, is entitled to a discharge, and the creditors holding valid liens are entitled to have them satisfied, and then the unsecured creditors are entitled to the balance of the estate pro rata, and that irrespective of whether the petition was filed by the creditors or by voluntary bankrupts in every case a compromise can be secured expeditiously and at

This talk about a voluntary law is, I think, largely a legislative theory. It is not demanded by any considerable number of people, so far as I can learn. I do not believe that debtors demand that the laws shall be made unduly favorable to them or unfavorable theory. to the creditors; or, on the other hand, that the creditors wish that the law should be made unduly favorable to them or unfavorable to the debtors. My experience has been that debtors and creditors are always inclined to be fair with each other, and I therefore am convinced that they want a perfectly fair law applicable to and comprehensive of all of their rights. The facts are that our largest debtors are in turn our largest creditors, and

It has been well said that approximately all debts are voluntarily created except those incident to the exercise of the principle of eminent domain and the commission of torts. It has been pointed eminent domain and the commission of torts. It has been pointed out by the report from the committee on this bill that the amount which the debtor owes is in every instance exactly balanced by the claim of the creditor. It therefore follows that if all the debts of all the debtors of the world were added up the grand total would exactly equal the sum of all the claims of all the creditors in the world. We should not, therefore, legislate for either the one class or the other, but for them both alike.

Let us pass a fair law while we have the subject under consideration. If we pass an unfair law, or one not comprehensive of

eration. If we pass an unfair law, or one not comprehensive of the rights of all parties to transactions on credit, we are likely to be compelled to repeal it in a shorter time than any of the other

bankruptcy laws have been repealed heretofore.

The people are fair minded, and they will not tolerate any one-

sided, incomplete, voluntary law.

WILL NOT CONCENTRATE LEGAL BUSINESS.

I would be glad, for the purpose of this bill, if there was a United States district court in every community in the country. The States district court in every community in the country. The greatest inconvenience in connection with this proposed law grows out of the fact that in a comparative sense the United States courts are few in number by comparison with our State courts. These inconveniences have been overcome as far as possible, and to a very large degree by this bill. They will be felt by very few, since only about one in every one hundred of those engaged in business and enterprises fails per annum as shown by the tables of which I have heretofore spoken.

The bill, instead of providing that the bankruptcy court shall exercise jurisdiction to hear and determine all controversies relating to the administration of the bankruptcy estate, provides that the trustee of a bankrupt estate who desires to bring suit concerning the affairs of the estate shall do so in the court in which the

ing the affairs of the estate shall do so in the court in which the bankrupt would have of necessity brought suit had not the bank-ruptcy proceedings intervened, unless the defendant consents to come into the court of bankruptcy. For example, if two citizens of my State should have a transaction on credit, and one of them should become a bankrupt, his trustee would not be permitted, except by consent, to bring suit in the court of bankruptcy, and thereby require the other citizen to perhaps go a long distance to court, but he would, under the provisions of this bill, bring suit in

the State court where the bankrupt would have necessarily gone to institute such suit if misfortune had not overtaken him.

The first meetings of creditors will be held at the county seat of the county in which the bankrupt resides, unless such place would be manifestly inconvenient as a place of meeting for the parties in interest.

Each county is to be at least one district, within which a referee will be appointed. These referees are judicial officers, and will do a large part of the bankruptcy business. They will not have jurisdiction to try the original suit in bankruptcy, unless there is a default and the judge is absent, because a jury might be demanded,

and of course it would not be desirable to intrust referees with a jury trial. It would be manifestly unwise to have them consider the confirmation of a composition or the setting aside of a composition which had been confirmed, or the granting or revoking of a discharge. But in the proof of claims, the hearing of evidence, the sale of property, and other matters connected with the administration of the estate they will have adequate jurisdiction, but always subject to a review by the judge. In order to secure such a review it will not be necessary to give a bond, as is usual in cases of appeal

Depositories for funds and newspapers in which notices must be published will be designated with particular reference to where the trustees and parties in interest reside.

The foregoing provisions will bring the administration of the law to the homes of the people as nearly as possible.

Litigation which is ordinarily as persible.

Litigation which is ordinarily a part of the conducting of business and the promotion of enterprises has fallen off greatly in late years. While it has no doubt been affected materially by the general depression which has been felt all over the country, it has been very seriously diminished by the fact that under present laws a debtor usually subjects himself to very great danger by contesting in court even the unjust claims of his creditors, since the institution of a suit against a debtor ordinarily results in the

contesting in court even the unjust claims of his creditors, since the institution of a suit against a debtor ordinarily results in the bringing of other suits by frightened creditors, and leads to his being ruined irrespective of his honesty or solvency.

If this bill be enacted into law the conditions of which I have just spoken will be reversed, as there will then be no occasion for creditors to be frightened simply because a debtor has been sued. The result will be that the business of the courts will resume its normal conditions and justice will be meted out to litigants without fear or favor. out fear or favor.

THE NECESSITY FOR A BANKRUPT LAW.

If I were to state on this floor that a constituent of mine was in distress beyond his control, and that the State of Tennessee could not relieve him, but that Congress could, that he was a deserving man and wished to be relieved, everyone of you ought to cheerfully and readily assist me in giving him relief and enabling him to continue his pure vite of happiness in accordance with his own. to continue his pursuit of happiness in accordance with his own inclinations

Every member here has a number of constituents who are in trouble because of circumstances over which they have no control; they are beneath burdens of debt and suffering all of the tortures which that condition inflicts, and it is impossible for them to be

which that condition inflicts, and it is impossible for them to be rescued except by the assistance of Congress.

It is not possible to rescue these people by State law, because at the foundation of the Government it was provided in the Constitution, upon motion of a distinguished gentleman from South Carolina, that the power to enact uniform laws upon the subject of bankruptcy should be exercised alone by Congress. The same instrument contains a provision prohibiting the States from inconstructions.

of bankruptcy should be exercised alone by Congress. The same instrument contains a provision prohibiting the States from impairing the obligation of contracts. It is therefore impossible for the State, now or henceforth, without an amendment to the Federal Constitution, to grant relief to those thus unfortunately situated. In some of the States it has been provided that a discharge shall be granted to the unfortunate debtor, but such relief can not be granted as against citizens of other States. In Tennessee the legislature has not even gone to this extent, and as a result there is a very great need for this legislation—for a bankrupt law by which my constituents and those of my colleagues may be rescued from my constituents and those of my colleagues may be rescued from their condition of debts and distress and restored to one in which they may be better able to support their families and educate

I know, and all of you know, cases in which honest men who were solvent became frightened by the importunities of creditors, and in an endeavor to provide against "times of need" justified attachments, and as a result have had their property swept away and have been left penniless and hopelessly in debt. If the bill now under consideration had been heretofore the law such men would have been allowed the very liberal exemptions of our states and have been allowed the very liberal exemptions of our State, and upon surrendering their assets above their exemptions their estates would have been ratably divided among their creditors and they would have been discharged and encouraged to begin life with

renewed energy.

There are cases known to all of usin which an endeavor to prove There are cases known to all of usin which an endeavor to prove rascality, chicanery, and fraud has proven insufficient to satisfy the jury on the subject, and as a result decrees have been entered which were but acts legalizing robbery of the most pernicious sort. If the present bill had been in force then I confidently believe that the result would have been that the beneficiaries under the decrees would have been exposed, their creditors would have received their just part of the estate, and they would have been appropriately punished for the wrongs they perpetrated; such wrongs were not only injurious to those who were financially interested in their affairs, but to competitors in business.

THE ADVISABILITY OF GRANTING DISCHARGES.

There was a time when imprisonment for debt could be exacted

under the laws and was supported by the conscience of the people. For the most part it has been abolished by law, so far as actually keeping the debtor in custody is concerned. One of the worst features of that condition is as yet maintained. It was a humane consideration to imprison a debtor and furnish him sufficient heat to drive away the frost of physical discomfort and sufficient food to prevent starvation, as compared with the system of not furnishing to the debtor shelter, not furnishing him heat, not protecting him from, but subjecting him to, all the prosecutions of avariginas craditors.

tecting him from, but subjecting him to, all the prosecutions of avaricious creditors.

The condition of the insolvent debtor has been greatly ameliorated by the enactment of the State homestead and exemption laws, and the abolition of actual imprisonment meets comparatively the requirements of their condition. But these exemptions are not at present of a substantive value.

It is true that a man of family may have exempt from the demands of his creditors the furniture necessary to prevent squalid want; he may have the rude utensils with which to pursue his chosen avocation; and under the laws of many of the States he may have a limited supply of provisions for the daily wants of the family.

the family.

If he is so fortunate as to possess a limited area of real estate, he may retain it as a place upon which to put these small belongings; but if, as the result of unceasing daily toil, he acquires for the comfort of the woman who shares his lot an additional piece of furniture to that allowed by the merciful exemptions of his State it may be torn from him by the sheriff.

If the soil, in response to his diligent husbandry, shall yield a partial harvest in excess of that which has been allotted to him for the systemance of his family, it too may be seized under evention.

partial harvest in excess of that which has been allotted to him for the sustenance of his family, it, too, may be seized under execution. If the homestead happens to lie upon a waterway, and by the ever-changing currents there shall be embanked against his shore earth in addition to the cubic yards of it which are protected by the exemption laws of the State, that, too, may be seized and sold to satisfy a part of his burdens, which are ever increasing by the

to satisfy a part of his burdens, which are ever increasing by the accumulation of interest.

In other words, while under the humane provisions of the various State exemption laws we have in pursuance of a wise and humane public policy allotted to our several citizens homesteads and exemptions calculated to keep them and their dependents out of the poorhouses, we have not protected them from being surrounded by the gaunt specter of unpaid debts which stands as a menace to enterprise and thrift beyond the narrow confines with which we have inclosed them.

These exemptions are instifted, as I have said, by a wise public.

which we have inclosed them.

These exemptions are justified, as I have said, by a wise public policy. The same public policy justifies the position that the debtor who has not done wrong, but who has incurred debts in good faith, and who has acted the part of an honest man with regard to them, should not be confronted by the specter of which I have spoken, but should be granted a discharge, absolute and unconditional, and be given an opportunity to make the greatest and best use of the powers which have been given him by his Creater.

Creator.

The discharge of a debtor is not of necessity in actual practical derogation of the rights of the creditor, because if the debtor thus released uses his opportunities to the best advantage, he may become able to pay his debts; if not inclined to do so under these circumstances, he would not do so in any event, so that the right of discharge will benefit the debtor, and does not necessarily destroy but may promote the interests of the creditor.

The Constitution provides for a bankruptcy law under which an honest bankrupt may procure an honorable discharge under such careful restrictions as shall be just to his creditors. Is it not the duty of Congress to make that right available to honest debtors instead of leaving them to the charity of their creditors?

CORPORATIONS.

Under the provisions of this bill, corporations may be adjudged involuntary bankrupts upon exactly the same terms as individuals and firms. They can not go voluntarily into bankruptcy.

Such corporations as may become bankrupt will not be discharged; it was feared that the granting of a discharge to a corporation might affect the liabilities of stockholders, who, according to the laws under which they exist, might be liable for their debts.

Trust companies may be elected by the creditors to be trustees of estates.

Companies organized for the purpose of giving bonds may be accepted as bondsmen for trustees and referees.

These provisions are thought to be consistent with the objects of the bill, and to do justice to corporations without doing injustice to individuals.

The district courts of the United States and the Territories, the supreme court of the District of Columbia, and the United States court of the Indian Territory are courts of bankruptcy, and have original jurisdiction in bankruptcy cases.

Any debtor except a corporation may voluntarily file a petition in bankruptcy and be adjudged a bankrupt. PROCEEDINGS.

A suit in bankruptcy may be brought against any debtor who owes over \$1,000, and has committed an act of bankruptcy, except a national bank, a person engaged chiefly in farming or the tillage of the soil, or a wage earner.

of the soil, or a wage earner.

Acts of bankruptcy by a person shall consist of his having (1) concealed himself, departed or remained away from his place of business, residence, or domicile with intent to avoid the service of civil process and to defeat his creditors, and shall not have returned at least forty-eight hours before the fling of a petition in bankruptcy, and before the rights of creditors shall have been impaired, altered, or interfered with; (2) falled for thirty days and until a petition is filed while insolvent to secure the release of any property levied upon under process of law for \$500 or over, or if such property is to be sold within such time under such process then until three days before the time fixed for such sale; (3) made a transfer of any of his property with intent to defeat his creditors and has not regained the ownership and possession of such property before the rights of creditors have been altered, impaired, or changed by reason of such transfer and at least ten days before the commencement of a proceeding in bankruptcy; (4) made an assignment for the benefit of his creditors or filed in court a written statement admitting his inability to pay his debts; (5) made, while insolvent, a transfer of any of his property or suffered any of it to be taken or levied upon by process of law or otherwise for the purpose of giving a preference, and has not regained the ownership of such property or released same from such levy before the rights of creditors shall have been altered, changed, or impaired by reason of such transfer, taking, or levy and at least ten days before the commencement of a proceeding in bankruptcy; (6) procured or suffered a judgment to be entered against himself with intent to defeat his judgment by a sale of any of the debtor's property or avoid its being levied upon under legal process against himself and to defeat his creditors, and has not suffered same to remain unpaid until to hays before the filing of a petition in bankruptcy; (8) suffered while insolvent an

Such suit may be brought within four months after the com-

such suit may be brought within four months after the com-mission of an act of bankruptcy, or conditionally thereafter when the commission of such an act shall have been concealed. Since a suit in bankruptcy is filed for the benefit of all of the creditors, it is required that three must join in the petition who have collectively unsecured claims amounting to \$500 or over. If all the creditors of such a person are less than twelve in number, one creditor holding an unsecured claim amounting to that sum

one creditor holding an unsecured claim amounting to that sum may file a petition.

Upon the filing of a suit in bankruptcy a copy of the petition, with a writ of subpcena, shall be served upon the defendant in like manner as in a suit of equity, except that the process shall be returnable within fifteen days. The bankrupt or any of his creditors may plead to the petition within ten days after the return day. The time for the service of process and the filing of pleadings may be extended by the court when necessary in the interests of instead

pleadings may be extended by the court when necessary in the interests of justice.

The defendant may have a jury in the trial if he so desires.

If the judgment is for the defendant the case will be dismissed at the cost of the plaintiff. If it is against the defendant he will be adjudged a bankrupt. If he desires to appeal he may do so.

The defendant in a bankruptcy suit will not be at any greater disadvantage than the defendant in any other suit; that is to say, he will have full possession and control of his property, and can proceed with his business just as any other defendant. If the creditors desire to secure an attachment they may do so by giving proceed with his business just as any other defendant. If the creditors desire to secure an attachment they may do so by giving bond and filing affidavits sufficient to convince the court that the defendant has committed an act of bankruptcy. If, after an attachment is levied, the defendant wishes to give a forthcoming bond, he may do so and still retain full control of his property.

In cases in which voluntary petitions are filed and in which default is made in answers to petitions in involuntary cases the judge of the United States district court will consider the petitions and either dismiss them or adjudge the defendants bankrupt. If the judge is absent the petitions will be referred to and will be considered and disposed of in the same manner by the referee.

It is immaterial whether a defendant is adjudged a bankrupt upon his own petition or the petition of creditors, so far as his rights as a bankrupt and those of his creditors are concerned.

It is the duty of the bankrupt to attend the first meeting of his creditors if required to do so; to make out schedules of his property and lists of his creditors, and if attempted frauds on the part of creditors come to his knowledge it is his duty to inform his trustee, etc.

trustee, etc.

An individual or partnership may apply for a discharge subsequent to the expiration of two months and within the next four months after the adjudication. If the application is not made within that time and the court is convinced that it was impossible for the applicant to make it, it may be filed within but not after the expiration of the next six months.

The terms upon which a discharge may be granted are as follows:

A person, not a corporation, may, after the expiration of two months and

A person, not a corporation, may, after the expiration of two months and ithin the next four months subsequent to being adjudged a bankrupt, file an pplication for a discharge in the court of bankruptcy in which the proceedings are pending. If it shall be made to appear to the judge that the bankrupt as unavoidably prevented from filing it within such time, it may be filed ithin but not after the expiration of the next six menths.

The judge shall hear the application for a discharge, and such pleas as may be made in opposition thereto by parties in interest, at such time as his convenience will permit and as will give parties in interest a reasonable opportunity to be heard, and discharge the applicant unless he has (1) been convicted of having committed an offense punishable by imprisonment as herein provided; (2) given a preference as herein defined, under an assignment for the benefit of creditors, or otherwise, and within six months prior to the filing of the petition against him, which has not been surrendered to the trustee; (3) obtained property upon credit which has not been paid for or restored at the time the petition is filed against him upon a materially false statement in writing made by him to any person for the purpose of obtaining credit or of being communicated to the trade or to the person from whom he obtained such property on credit; (4) made a transfer of any of his property which any creditor who has proved his doth in the proceedings might, at the time of the bankruptcy, have impeached as fraudulent if he had then been a judgment creditor, unless such property shall have been surrendered to the trustee; or (5), with fraudulent literat and in communication of bankruptcy, destroyed or neglected to keep books of account or records from which his true condition might be ascertained.

The confirmation of a composition shall discharge the bankrupt from his debts, other than those agreed to be paid by the terms of the composition and those not affected by a discharge.

A discharge in bankruptcy shall release a bankrupt, not a corporation, from all of his provable debts, except such as (1) are due as a tax levied by the United States, the State, county, district, or municipality in which he resides; (2) are judgments in actions for frauds or willful and malicious injuries to the person or property of another; (3) have not been duly scheduled in time for proof and allowance, with the name of the creditor if known to the ban

A discharge may be revoked upon application made within one year after being granted if it transpires that it was fraudulently procured.

I apprehend that one of the most useful provisions of the bill is the one relating to settlements which debtors may make with their creditors after the petition is filed, and either before or after the suit has been tried.

Under existing laws, if a creditor sees fit to pursue a debtor to final execution and sale, he may do so without let or hindrance; there may be delays in the courts, but the time will surely come when there will be a trial, and if it results in a judgment against the defendant the creditor may persevere until the red flag of the sheriff waves over the property of the defendant, or other property sheriff waves over the property of the defendant, or other property which it may be thought that the defendant has an interest in. An honest debtor may be protected from such extremities under the provisions of the bankruptcy bill, provided the interest of all of the creditors will be served thereby; that is to say, he may secure a settlement as against the wishes of some of his creditors, but nevertheless with all of them. Such a settlement may involve an extension of time within which to pay his debts, or a reduction of them with or without security for the payment of the balance. the balance.

An individual creditor may consider it a hardship to be compelled to settle with his debtor upon terms which he does not consider advantageous. Requiring him to do so can be justified only on the ground that the interest of other creditors must be considered quite as well as his, since it is for the best interest of the most of the creditors to make such a settlement.

A settlement can not be offered by a debtor against whom a petition has been filed or who has been adjudged a bankrupt until petition has been filed or who has been adjudged a bankrupt until after he has submitted to an examination in open court or at a meeting of his creditors. This examination is designed to enable the creditors to learn the reasons for the difficulties in which the debtor finds himself and to enable them to judge whether he is or is not a competent, honest man. He must file a schedule of his property and a list of his creditors. An examination of them will enable the creditors to determine the value of their claims.

After these preliminaries he must submit his proposition in writing to his creditors and secure the acceptance of it by at least a majority in number of his creditors, and such majority or number must also represent more than half of his indebtedness. Before this proposition can be filed in court he must deposit, subject to the order of the judge, the money with which to pay the costs of the suit and the preferred claims. He must also file, subject to the order of the court, whatever he is to pay to his creditors in the settlement; that is, if he is to give notes, he must execute them and place them where the court can have them distributed to creditors in the event where the court can have them distributed to creditors in the event his settlement is confirmed; if he is to pay part cash and part in notes, he must deposit the cash so that it as well as the notes may be distributed to the creditors. A compliance with these conditions will probably be of great inconvenience to the debtor in many cases, but they are necessary in order to have the settlement confirmed and adjusted without friction or delays and with absolute

Under the old law frequently the bankrupt trifled with his creditors by offering settlements which he could not make, and later on offering less favorable settlements, the only result being

to annoy the creditors.

A composition which has been fraudulently obtained may be set aside upon an application made within six months after it was con-

A debtor who has acted dishonestly can not secure a composi-tion, thereason being that the confirmation of a composition secures to the debtor a discharge from all debt which he does not agree to

pay in the composition, and it is not proposed by this bill to enable any dishonest persons, firms, or corporation to secure any advan-tage pursuant to its terms.

In cases in which the estate is to be administered the creditors will meet and elect one or three trustees and fix the amount of

The trustee or trustees will reduce the estate to money under the directions of the court and distribute it in dividends to the

the directions of the court and distribute it in dividends to the creditors.

Creditors have only to make oath to the claims and send them by mail or deliver them in person to the court or referee. They will be allowed as of course, but may be suspended or examined if there is any suspicion that they are fraudulent. The trustee may bring suit to set aside any fraudulent transfer of property which was made by the bankrupt prior to the adjudication.

Liens given for a present consideration in good faith will be upheld. Such liens as are fraudulent will be set aside.

Preferences which have been given within four months prior to the filing of the petition may be recovered by the trustee. Advantages obtained by the institution of suits within four months prior to the filing of the petition can not be made available by the plaintiffs in such proceedings. This provision is simply to prevent an inequitable distribution of the estate of the bankrupt.

Under the old law the compensation of officers was unduly large, and was payable so that they were all interested in prolonging the proceedings. This bill provides for the payment of only a reasonable compensation, and it is to be so computed and paid that every officer is interested in securing prompt and economical administrations. That is to say, the clerk secures a single fee of \$10 in each case; he will, therefore, be interested in having the case disposed of as quickly as possible. The referee will receive a tendollar filing fee in each case and a commission of 1 per cent on the net result of the estate, and one-half of 1 per cent on amounts paid in composition. The trustee will receive a five-dollar fee in each case and a commission of 5 per cent on the first \$5,000 to be paid in dividends, 2 per cent on the second like amount, and 1 per cent on all over \$10,000. Neither the filing fees nor the commissions of the referees or trustees will be paid until the estate is closed and the records returned to court.

The expenses of administering the estate will be reported

and the records returned to court.

The expenses of administering the estate will be reported in detail under oath, and will be paid in the event only of their being found to be necessary and reasonable by the court.

Those who may act dishonestly in contemplation of bankruptcy or with reference to the property of bankruptcy estates or commit forbidden acts will be liable to punishment.

The bill contains such additional provisions as are necessary in order to make it a perfectly well-considered and carefully framed bankruptcy code.

order to make it a perfectly well-considered and carefully framed bankruptcy code.

When a bill similar to this was under consideration in a former Congress I opposed its enactment. My opposition grew partly out of my want of information as to its true scope and purposes and partly out of the fact that my constituents were prejudiced against any bankruptcy bill because of the unfortunate administration of the old one in the South. Since then great changes and improvements have been made in the bill and my people have felt the want of such a law. the want of such a law.

I, therefore, am very glad not only to give this bill my vote but a hearty support.

It is an absolutely fair measure in all of its provisions to both debtors and creditors and is calculated to promote the best interests of all of those whose rights will be affected by it.

I invite your attention to the following:

TABLE OF COMMERCIAL AND INDUSTRIAL FALLERS IN THE UNITED STATES.

The number of failures by those engaged in commercial and industrial pursuits, the total number of those so engaged, the percentage of the former the latter, and the total amount in dollars of the labilities of those who have failed from 1879 to 1805, inclusive, are shown by States and Territories, as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Liabilities.
ALABAMA. 1879 1880 1881 1882 1884 1885 1886 1886 1880 1880 1880 1880 1880 1880 1888 1888	94 47 104 85 55 68 39 118 99 161 134 186 258 228 178 190	5, 463 6, 547 7, 080 7, 364 6, 139 6, 388 8, 684 9, 018 9, 587 10, 172 9, 686 10, 315 10, 287 10, 287 10, 289 10, 281 10, 280	0.44 .71 1.46 .15 .67 .90 .45 1.31 1.00 1.55 1.85 1.85 1.85 1.85	\$302, 100 759, 604 8, 041, 340 1, 188, 276 660, 710 1, 453, 311 1, 017, 125 1, 637, 477 1, 602, 622 1, 308, 528 2, 228, 300 8, 396, 315 2, 108, 675 2, 439, 200 2, 944, 309 1, 230, 230
Totals and average	2,114		1.36	28, 894, 741

TABLE OF COMMERCIAL AND INDUSTRIAL FAILURES, ETC .- continued

	Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Liabilities.
And the second s	ARKANSAS. [879	48 26 102 95 84 121 00 90 156 173 212 213 211 164 170	4, 340 5, 227 6, 006 6, 583 6, 583 7, 092 7, 734 7, 627 9, 817 10, 575 10, 532 10, 575 10, 671 10, 672 10, 631	1.10 .30 1.67 1.44 1.21 1.70 1.22 1.31 .92 1.75 1.82 2.96 1.75 1.99 1.54	\$425, 427 340, 072 902, 582 254, 724 506, 723 1,149, 148 818, 325 1, 178, 661 897, 900 1, 245, 546 994, 382 1, 817, 305 2, 205, 811 1, 902, 697 8, 655, 881 1, 865, 881 1, 866, 700
ľ	Totals and average	2,185	20,000	1.47	21,302,868
	CALIFORNIA.				mr, out, out
	1879 1880 1881 1881 1882 1882 1884 1885 1884 1885 1886 1889 1890 1891 1890 1891 1892 1893	472 205 275 375 429 573 672 554 455 647 713 841 698 585 747 587	17, 343 16, 409 19, 345 20, 907 21, 105 22, 836 23, 174 24, 278 25, 522 25, 141 29, 531 30, 875 33, 259 34, 319 35, 530 35, 533	2.73 1.60 1.48 1.88 2.03 2.90 2.29 2.29 2.29 2.24 2.21 2.20 1.71 2.20 1.76 2.17	2,999,400 2,790,000 8,747,000 4,431,990 6,106,900 5,096,100 16,943,306 7,975,900 4,200,800 4,742,600 4,745,6718 8,399,963
١	Totals and average	9,291		2.00	
l	COLORADO.	47	3,572	1.81	305,661
Commence of the Commence of th	1880 1881 1882 1883 1883 1886 1886 1887 1888 1888 1889 1880 1890 1891 1891 1892 1893	78 97 169 182 139 62 82 79 149 165 109 204 429 429 429 421 441 138	7, 657 7, 855 2, 167 6, 911 6, 860 6, 977 8, 216 9, 040 11, 569 12, 287 13, 854 14, 065 14, 265	1. 25 2. 17 2. 18 2. 01 81 1. 18 1. 41 1. 30 1. 44 3. 00	687, 479 1, 290, 191 1, 986, 684 2, 259, 685 705, 182 608, 529 4, 70, 308 4, 1, 264, 647 8, 1, 264, 647 8, 1, 264, 647 8, 1, 3, 4, 4, 688 9, 3, 5, 6, 8, 3, 5, 6, 8, 3, 2, 9, 83, 2, 2, 983, 2, 2, 983, 257
1	Totals and average	2,589		1.50	29, 105, 439
	CONNECTICUT. 1889 1881 1882 1888 1884 1885 1886 1886 1889 1890 1890 1891 1892	13 17 18 18 18 23 25	3 14, 946 14, 471 3 14, 411 3 14, 421 4 15, 90 14, 711 5 15, 96 2 16, 84 7 16, 97 7 17, 30 18, 98 3 18, 99 18, 97 18, 98	1.3 .9 .6 .6 .5 1.1 .7 .6 .8 .7 .8 .7 .8 .8 .7 .8 .8 .8 .8 .8 .8 .8 .8 .8 .8 .8 .8 .8	1 1,075,817,806,728 1 808,765 1 908,963 1 1,714,965 1 1,714,469 1 1,768,684 1 1,268,166 1 1,487,617 1 2,719,024 1 1,033,466 0 1,831,142 0 2,442,001
	Totals and average	2,81	1	.0	8 30,003,830
94080156722055090	DAKOTA (NORTH AND SOUTH) 1879 1880 1881 1882 1883 1884 1885 1886 1887 1886 1887 1889 1189 1899 1891 1892 1893	1 1 3 9 9 11 8 10 10 10 10 10 10 10 10 10 10 10 10 10	4 2,67 2,88 3 6,74 0 8,28 7 9,37 7 9,37 6 9,96 0 10,45 11,60 1 8,18 0 8,85 6 8,96 9 9,02	0	5 19,000 3 121,102 8 1,075,79 18 40,89 18 404,89 18 404,89 18 404,89 19 1151,88 10 1,28 10 1,29 10 1,39 10 10,28 100,99 107,10 401,23
0		-	The second secon		The same of the same of the same of

	Number	Number	Per cent		TABLE OF COMMERCIAL AN	Number	Number	Per cent	
Year.	of failures.	engaged in business.	of failures.	Liabilities.	Year.	of failures.	engaged in business.	of failures.	Liabilities
DELAWARE.					IOWA.				
9	14	3,628	0.30	\$186, 137	1879	152	28,463	0.65	\$1,121,9
0	18	3,618	.50	127,400 73,200	1880	93	24,873	.87	495, 5
0	12	3,588	.33	79,400	1881	75 194	26, 419 28, 217	.29	926,6
3	15	3,685	.40	206, 757	1883	420	29, 119	1.43	2, 249, 6
	27 23	3,930 4,075	.60	553, 900 195, 250	1884	412 370	29, 396	1.40 1.23	2,435,6
ő	25	4,044	.62	176,500	1886	373	30, 102	1.23	2,354, 1,992,
	. 26	4,297	.63	495,219	1887	300	29,686	1.01	1,976,
9	26 15	4,348	.60	324, 200 156, 200	1889	284 325	30, 696 33, 833	.96	2,510, 2,579,
0	18	8,833	.47	213, 822	1890	261	35, 420	.68	2,424,
1	29 21	4,002	.72	434,600	1891	185	37,263	.50	1,207,
8	35	8,862 4,239	.83	68, 100 645, 437	1892	200 184	38, 265 38, 660	. 58	1,483, 11,452,
4	61	3,760	1.62	936,770	1894	253	39,820	.64	5,098,
Totals and average	440	3,774	1.80	5, 332, 992	Totals and average	4,366	40,807	.74	1,853, 43,569,
						2,000		102	30,000,
FLORIDA.	19	1,918	1.00	190 027	KANSAS.	0.0	11 110	***	200
0	12	2,049	.60	120,077 104,500	1879	66 112	11,449 13,610	.58	392, 446,
1	16	2,576	.61	223, 352	1881	262	13,894	1.88	1,704
3	17 34	2,508 2,865	1.68 1.17	167, 320 297, 677	1882	267 161	14,713	1.81	1,510
4	44	3,455	1.25	670,534	1883	97	15,677 16,837	1.00	7:36 508
Ď	49	3,918	1.26	366, 103	1885	285	20,768	1.37	1,377
6	78 107	4,334	1.81 2.14	603, 302 564, 469	1886	297	29,560 26,914	1.32	1,050
8	69	5,465	1.26	407,177	1888	244	25, 283	.96	1,205
9	49	4,750	1.03	348, 142	1889	292	24, 939	1.17	2,629
1	144	4,812 5,222	2.76	155,360 1,486,411	1820	325 275	25, 510 22, 303	1.27	4,538 5,625
* **********************	31	5,825	.53	267,700	1892	206	22, 285	.98	
3	59 46		1.00		1893	330	22,646	1.42	2,795
5	136	6,186 5,868	2.32	380, 650 1, 741, 550	1894	286 234		1.28	
Totals and average	951	-	1.27	8,395,629	Totals and average			1.16	
GEORGIA.	- OOX	***************************************	2.00	0,000,000	KENTUCKY.	2,020		A. 40	00,000
9	86		1.00		1879	138		.79	1,540
	132	9,883	.78		1880	104		.56	
	138	10,478 11,215	1.27	1,900,583	1882	131	19,311 19,352	.48	
3	213	11,537	1.83	2, 180, 839	1883	154	19,869	.77	1,667
\$	238 212	12,180 10,413	1.95 2.04		1884	219		1.02	
6	215		2.04	1, 872, 763	1886			1.26	
7	195		1.72	1,713,462	1887	281	22, 153	1.26	3,274
8	213 151		1.62		1888	285		1.27	
0	145	14,235	1.02		1800	233		1.08	2,991
1	274		1.55		1891	3590		1.58	
8	259 292		1.63 1.93		1893			1.65	
4	347	15,294	2.27	4,756,118	1894	339	26, 307	1.20	5,400
ő	214	14,793	1.45	3,049,383	1895	274	26,068	1.05	3,043
Totals and average	3,401		1.55	42,863,766	Totals and average	4,000		1.05	52,280
1LLINOIS.	277	51,250	.54	5,633,780	LOUISIANA.	. 90	7,907	1.14	4,750
80	134	53, 325	.25	1,263,956	1880			.6	
1	146		.26		1881	- 10	5 8,988	1.1	1,60
33	261		1.00		1882				
4	708	61,780	1.37	12,661,937	1884	18	10,085	1.8	2 5,40
5	684	1 62,708	1.00	5,858,853	1885	210	5 10,548	2.0	5 5,08
36	646		.99	8,187,356	1887	200			
8	678	71,062	.95	8, 929, 338	1888	. 30	11,906	1.6	9 2,47
9	717		.96	7, 286, 365	1889	- 18	5 12,419	1.4	9 1,68
01	642		.88	9,785,431 6,303,814	1890	157			
M	480	86, 145	.56	7,647,200	1892	177	7 10, 119	1.7	5 2,26
93	566			18,777,462	1893	122		1.3	
94	850		.86		1894				4 1,89 6 2,87
Totals and average	9,27	1	. 78		Totals and average		5		-
INDIANA.					MATNE.				
90	12		.44	1,509,791 842,847	1879	- 8			
81	- 7	8 30,632	.2	683, 289	1881	- 7	6 12,457	.6	0 44
82	. 12	4 32,488	.3	1,688,565	1885	-1 6	1 12,70	.4	8 94
84	. 1 30			3,426,182 5,775,113	1 18804	- 25			
80	. 29	36,765	.8	0 2,435,528	1885	. 20	5 13,708	1.5	9 1.05
86	. 28	5 38, 142	.6	2,739,089	1886	_ 16	7 14,010	1.1	9 3,20
88	21 25		.5	5 1,838,494 5 2,134,627	1887	16			0 1,81
	- 21	1 40, 16	.5	3 1,845,798	1889	-1 19	6 14,30	1.3	7 1,11
90 91			.5	8 2,912,144	1890	13			1 1,2
02		8 41,966		0 1,671,239 5 1,753,541	1891	10			5 8
93	- 86	7 47,207	.7	6 8,903,225	1893	41	1 15, 19	2.7	1 3,90
04	. 20	9 48,617	.5	5 3,702,932	1894	25	1 15, 36	1.0	3 2,4
OK						. 10	8 15,63	1 0	2 07
95	- 26	2 49,317	.4	9 2,047,351	1895	18	0 10,00	1.2	0 1,2

APPENDIX TO THE CONGRESSIONAL RECORD.

Year.	Number	Number	Per cent		TABLE OF COMMERCIAL AS	Number	Number		on extraout.
	of failures.	engaged in business.	of failures.	Liabilities.	Year.	of failures.	engaged in business.	Per cent of failures.	Liabilities
MARYLAND.					MISSOURI.				
70	85	12,949	0.66	2016, 874	1870	180	81,208	0.44	60 POS O
0		12,781	. 43	820, 163	1880	189	84,824	.40	\$2,728,3 1,616,1
1	75	13,402	.56	2, 484, 991	1881	218	85, 669	.61	2,941,0
2 3	80	18,500	.59	1,261,140	1882	800	87,449	.80	4, 148, 1
4	127 112	14,498	.87	1,864,502 2,028,189	1983	226 276	89,231 40,922	.67	3, 137, 9
5	177	15,846	1.12	8,777,804	1884	253	43, 561	.58	6,846,4 2,718,1
6	120	15,630	.80	8,631,971	1886	233	46, 334	.50	1,841,9
89	152 174	16,495 17,694	500.	8,050,461	1887	195	52, 041 47, 600	.38	3,044,9
8	120	18,418	.98	1,975,593 1,226,094	1888	218 327	47,525	.46	2,039,4 2,972,8
90	152	17,706	.86	2, 254, 304	1890	358	49, 384	. 72	4, 806, 8
01	115	18,006	. 64	2,530,927	1801	800	50,039	.72	12, 168, 8
10	137 187	19,013	.72	2, 268, 765 2, 779, 183	1802	365 464	51, 429 52, 228	.71	4,347,
4	239	20,000	1.19	2, 971, 819	1894	414	52,077	.80	5,753,9 3,766,1
95	290	20, 460	1.46	8, 279, 124	1805	421	52,911	.80	4, 349,
Totals and average	2,422		.83	80, 121, 404	Totals and average	4,906		. 63	00, 227, 4
MASSACHUSETTS.	505	88,877	1.30	8, 433, 702	MONTANA. 1870	3	513	.58	90.4
0	. 829	39,921	.83	8, 436, 954	1880	5	668	.75	90,0 27,
81	416	40,816	1.02	7, 692, 245	1881	4	908	.44	68.
83	434	41,600 42,447	1.04	8, 952, 611 25, 469, 691	1882	-	1,638 2,111	1.23	71,
84	695	43, 328	1.47	10, 343, 120	1884	36	2,294	1.30	815, 853,
85	631	45, 385	1.39	7,597,225	1886	22 19	2,653	83	220,
86	696	48 700	1.30	11,428,842	1886		2,698	. 78	231,
88	650 672	48,706 49,480	1.34 1.35	8, 964, 757 8, 425, 674	1887	39 21	2,737	1.40	534, 146,
80	812	49, 183	1.68	20,787,599	1880	34	2,844	1.21	584,
90	670	49,678	1.85	20, 263, 205	1890	45	8,727	1.21	410,
2	664	50,743 52,032	1.81	18, 873, 921 8, 805, 224	1892	83	4,021 5,286	2.06	983, 880,
03	1,088	53, 390	2.04	22, 708, 331	1893	180	4,794	2.71	1,902,
94	886	54,707	1.53	16, 467, 631	1804	19	4,869	.89	240,
95	507	65, 813	.86	10, 942, 638	1895	41	5,110	.80	441,
Totals and average	10,858		1.83	214, 483, 460	Totals and average	562		1.08	7, 452,
MICHIGAN.	-	OF BOX	. 800	0.000.004	NEBRASKA.	-	2 000	1.01	001
79	179	25, 701 27, 761	.70	2,063,894 2,285,266	1879	106	5,206 6,179	1.25	221, 350,
80 ************************************	200	81, 102	. 67	1,750,832	1881	133	7,084	1.86	360,
89	189	81,787	.60	1,456,870	1882	113	7,848	1.43	450,
84	275 306.	82,466 82,481	.84	4,847,095	1883	100 220	9,331	1.00 2.13	350, 1,400,
884	288	82,834	.73	3, 786, 041 2, 018, 315	1884	141	12, 459	1.13	819,
86	202	33,500	.60	2, 269, 007	1886	135	14,543	:98	844,
187	180	35, 863	.58	1,875,915	1887	100	17, 158	1.14	644,
89	202 258	37,784 47,588	.61	4,865,966 3,674,908	1888	248 276	19,848 21,233	1.25	968, 1,538,
390	216	48,677	.44	6, 082, 924	1890		22,041	1.23	1,573,
591	200	49, 391	.47	2, 308, 282	1891	395	20,598	1.43	3, 288,
193	210 200	49, 822 50, 186	- 44	2,969,296	1802	209 343	20,512 20,463	1.03	1,838,
1963	174	49,852	.00	5, 263, 602	1894		20, 133	1.68 1.15	2,210, 1,262,
25	178	50, 375	. 34	2, 122, 601 4, 565, 748	1805	234	19,610	1.19	2,008,
Matala and amonana	0.000	-		-				1	
Totals and average	3,730		.00	\$3,706,732	Totals and average	8,417		1.34	20, 171,
MINNESOTA.					NEVADA.			,	
MINNESOTA.	128	10,073	1.27	1,241,697	NEVADA. 1879	. 34	1,061	2.06	426
MINNESOTA.	198	10,073	1.27		NEVADA. 1870	34	1,661 1,568	,	426 541
MINNESOTA. 79	198 82 73 70	10,073 11,247 12,505 14,088	1.27 .78 .56 .49	1,241,697 1,807,989 391,827 365,990	NEVADA. 1870	34 41 24 29	1, 061 1, 588 1, 514 1, 471	2.05 2.56 1.60 1.93	425 541 267 182
MINNESOTA. 79	128 82 73 70 116	10,073 11,247 12,505 14,088 15,312	1.27 .73 .56 .49	1,241,697 1,807,969 391,827 365,900 1,129,862	NEVADA. 1870	34 41 24 29 35	1, 661 1, 588 1, 514 1, 471 1, 411	2.05 2.56 1.00 1.93 2.50	425 541 267 182 310
MINNESOTA. 179	128 82 73 70 116 230	10,073 11,247 12,505 14,088 15,312 18,164	1.27 .73 .56 .49 .75 1.20	1,241,697 1,807,969 391,827 365,990 1,129,862 4,510,101 1,530,063	NEVADA. 1870	34 41 24 29 35	1, 661 1, 586 1, 514 1, 471 1, 411 1, 320	2.05 2.56 1.00 1.93 2.50 1.78	425 541 267 182 310 196
MINRIBOTA. 79	128 82 73 70 116 220 190	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 86, 232	1. 27 . 73 . 56 . 49 . 75 1. 20 . 78 . 77	1,241,697 1,807,969 391,827 365,990 1,129,862 4,510,101 1,530,063	NEVADA. 1870	34 41 24 29 36 20 20 13	1, 661 1, 586 1, 514 1, 471 1, 411 1, 330 1, 280	2.05 2.56 1.00 1.93 2.50 1.78 1.92	425 541 267 182 310 196
MINNESOTA. 79	128 82 73 70 116 230 190 202 202	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 26, 232 20, 197	1.27 .73 .56 .49 .75 1.30 .78	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 862 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 800	NEVADA. 1870 1880 1881 1882 1883 1884 1886	34 41 24 29 35 28 25 113	1, 661 1, 588 1, 514 1, 471 1, 411 1, 320 1, 280 1, 299 1, 370	2.05 2.56 1.00 1.93 2.50 1.78 1.92 .99	425 541 267 182 310 196 328 134 45
MINRISOTA. 79	128 82 73 70 116 230 190 202 209	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 26, 232 26, 197 200, 231	1. 27 . 73 . 58 . 49 . 75 1. 30 . 78 . 77 1. 02	1, 241, 607 1, 807, 960 381, 827 385, 990 1, 129, 882 4, 510, 101 1, 539, 063 2, 205, 740 3, 222, 800 4, 811, 722	NEVADA. 1879	84 41 24 29 35 25 12 14	1, 661 1, 586 1, 514 1, 471 1, 411 1, 320 1, 280 1, 290 1, 370 1, 347	2. 05 2. 56 1. 00 1. 93 2. 50 1. 76 1. 92 . 99 1. 00	425 541 267 182 310 196 328 134 45
MINNESOTA. 979	128 82 73 70 116 230 190 202 209 316 356	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 96, 232 25, 197 26, 231 18, 635	1. 27 . 73 . 56 . 49 . 75 1. 20 . 78 . 77 1. 02 1. 20 1. 91	1, 241, 697 1, 807, 969 381, 827 385, 990 1, 129, 892 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 890 4, 811, 722 4, 299, 235 6, 856, 857	NEVADA. 1870	84 41 24 29 35 20 25 11 14 9	1, 661 1, 586 1, 514 1, 471 1, 411 1, 230 1, 280 1, 290 1, 370 1, 347 1, 380	2.05 2.56 1.00 1.93 2.50 1.76 1.92 .99 1.00	425 641 267 182 310 190 828 134 45 44
MINNESOTA. 79	198 82 73 70 116 230 190 302 209 316 356 323 228	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 365 26, 232 26, 197 20, 231 18, 635 19, 450 20, 588	1. 27 .73 .56 .49 .75 1. 90 .78 .77 1. 02 1. 91 1. 90 1. 91	1, 241, 697 1, 807, 969 381, 827 385, 990 1, 129, 892 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 890 4, 811, 722 4, 299, 235 6, 856, 857	NEVADA. 1870	34 41 24 29 35 25 25 12 14 9	1, 661 1, 588 1, 514 1, 471 1, 471 1, 320 1, 230 1, 250 1, 370 1, 347 1, 360 1, 362 1, 362 1, 362	2.06 2.56 1.00 1.93 2.50 1.76 1.92 1.00 67 .99	425 541 207 182 310 196 328 134 45 54 44 170 60
24 INN RESOTA. 779	198 82 73 70 116 220 190 202 209 316 366 323 228 241	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 26, 232 26, 197 20, 231 18, 635 19, 450 20, 588 22, 820	1. 27 .73 .58 .49 .75 1. 90 .78 .77 1. 02 1. 91 1. 90 1. 91	1, 241, 697 1, 907, 989 391, 827 365, 990 1, 129, 682 4, 510, 101, 1, 539, 693 2, 205, 740 3, 222, 800 4, 811, 722 4, 239, 235 5, 856, 857 2, 699, 281 8, 673, 838	NEVADA. 1870	344 411 249 259 250 251 251 141 9 113 100 6	1,061 1,586 1,514 1,471 1,471 1,320 1,280 1,290 1,370 1,347 1,362 1,300 1,302	2.06 2.56 1.00 1.93 2.50 1.76 1.92 1.99 1.00 67 73 46	425 541 267 182 310 196 328 134 45 54 41 170 000
MINRISOTA. 79	198 82 73 70 116 230 190 202 209 316 356 323 228 241 417	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 21, 355 26, 232 26, 197 90, 231 18, 635 19, 450 20, 588 22, 620 24, 900	1. 27 .73 .56 .49 .75 1. 20 .77 1. 02 1. 20 1. 91 1. 66 1. 25	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 682 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 900 4, 811, 722 4, 299, 236 5, 858, 857 2, 659, 281 3, 673, 838 9, 705, 374	NEVADA. 1870	34 41 29 35 20 25 12 14 9 18 10 6 8	1, 661 1, 568 1, 514 1, 471 1, 411 1, 230 1, 230 1, 270 1, 370 1, 347 1, 369 1, 222 1, 300 1, 248	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 192 99 1. 00 67 73 46 64	425 541 267 182 310 196 328 134 45 54 44 170 60 27 79
MINNESOTA. 79	198 82 73 70 116 230 190 202 209 316 366 323 228 241 417 360	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 21, 355 26, 232 26, 197 90, 231 18, 635 19, 450 20, 588 22, 620 24, 900	1. 27 .73 .58 .49 .75 1. 90 .78 .77 1. 02 1. 91 1. 90 1. 91	1, 241, 697 1, 907, 989 391, 827 365, 990 1, 129, 682 4, 510, 101, 1, 539, 693 2, 205, 740 3, 222, 800 4, 811, 722 4, 239, 235 5, 856, 857 2, 699, 281 8, 673, 838	NEVADA. 1870	34 41 24 29 35 29 25 11 14 9 10 6 8	1,061 1,586 1,514 1,471 1,471 1,320 1,280 1,290 1,370 1,347 1,362 1,300 1,302	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 192 99 1. 00 67 73 46 64	425, 541, 267, 182, 310, 196, 328, 134, 45, 54, 44, 170, 20, 27, 79,
MINNESOTA. 79	198 82 73 70 116 230 190 302 209 316 335 241 417 360 311	10, 073 11, 247 12, 505 14, 068 13, 312 18, 164 24, 365 96, 222 96, 197 20, 231 18, 636 19, 450 20, 588 22, 820 24, 900 25, 230 25, 540	1. 27 .73 .56 .49 .75 1. 90 .77 1. 90 1. 91 1. 90 1. 91 1. 96 1. 25 1. 06 1. 25 1. 06	1, 241, 607 1, 607, 909 391, 827 365, 900 1, 129, 682 4, 510, 101 1, 539, 603 2, 205, 740 3, 222, 800 4, 811, 722 4, 299, 236 5, 856, 857 2, 699, 281 3, 673, 838 9, 705, 374 5, 156, 606	NEVADA. 1870	34 41 24 29 35 29 25 12 14 9 13 10 6 8	1, 661 1, 568 1, 514 1, 471 1, 471 1, 430 1, 280 1, 290 1, 370 1, 347 1, 362 1, 362 1, 102 1, 102 1, 103 1, 104 1,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 192 99 1. 00 67 73 46 64	425, 541, 267, 182, 310, 196, 828, 134, 45, 54, 44, 170, 60, 27, 79, 8, 8
MINNESOTA. 79	198 82 73 70 116 220 190 316 325 228 241 417 300 311	10, 073 11, 247 12, 505 14, 068 18, 164 24, 365 96, 232 96, 197 20, 231 18, 635 19, 450 20, 588 22, 820 24, 900 25, 230 25, 640	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 20 1. 91 1. 66 1. 25 1. 10 1. 43 1. 22	1, 241, 607 1, 607, 969 391, 827 365, 990 1, 129, 882 4, 510, 101 1, 539, 693 2, 205, 740 3, 222, 800 4, 811, 722 4, 239, 235 5, 858, 857 2, 699, 281 3, 673, 838 9, 705, 374 5, 150, 606 5, 200, 239	NEVADA. 1870	34 41 24 29 35 29 25 12 14 9 18 10 6 8 4 1	1,661 1,568 1,514 1,471 1,471 1,230 1,230 1,370 1,377 1,367 1,302 1,300 1,248 1,102 1,173 1,173 1,173 1,173	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 99 1. 00 67 . 93 . 73 46 64 . 34 . 09 . 08	425 641 207 192 310 100 322 134 41 41 41 41 41 41 41 41 41 41 41 41 41
MINRISOTA. 79	198 82 73 70 116 230 202 209 316 356 325 241 417 360 311 3, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 365 36, 232 26, 197 20, 231 18, 636 19, 450 20, 588 22, 820 25, 230 25, 24, 900 25, 230 25, 540	1. 27 .73 .56 .49 .75 1. 20 .78 .77 1. 02 1. 50 1. 91 1. 06 1. 25 1. 06 1. 43 1. 22 1. 12	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 982 4, 510, 101 1, 539, 983 2, 205, 740 3, 222, 900 4, 811, 722 4, 299, 235 5, 856, 857 2, 699, 231 3, 673, 838 9, 705, 374 5, 156, 696 5, 290, 239 57, 878, 311	NEVADA. 1870	34 41 24 29 39 30 25 12 13 14 9 13 10 6 8 4 11	1, 661 1, 568 1, 514 1, 471 1, 411 1, 230 1, 280 1, 270 1, 370 1, 362 1, 302 1, 248 1, 173 1, 184	2. 05 2. 56 1. 60 1. 93 2. 50 2. 50 1. 78 1. 192 2. 99 1. 00 67 73 46 64 46 84 34 .00 .08	495 641 297 188 310 190 828 134 45 64 47 77 80 22 77 8 8
MINNESOTA. (79	198 82 73 70 116 230 190 306 316 355 241 417 360 311 8, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 365 36, 232 26, 197 20, 231 18, 636 19, 450 20, 588 22, 820 24, 900 25, 230 25, 640	1. 27 -73 -56 -49 -75 -78 -77 -7. 1.02 1. 20 1. 91 1. 66 1. 25 1. 20 1. 43 1. 22	1, 241, 607 1, 807, 969 391, 827 365, 990 1, 129, 862 4, 510, 101 1, 539, 693 2, 205, 740 3, 222, 900 4, 811, 722 4, 239, 235 5, 858, 857 2, 699, 281 3, 673, 838 9, 705, 374 5, 156, 066 5, 290, 239 57, 878, 311	NEVADA. 1870	34 41 24 29 35 35 11 14 9 13 10 6 8 4 1 1	1, 661 1, 568 1, 514 1, 471 1, 471 1, 420 1, 230 1, 230 1, 370 1, 347 1, 362 1, 302 1, 102 1, 102 1, 124 1,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 99 1. 00 67 . 93 . 73 46 64 . 34 . 09 . 08	495 641 297 188 310 190 828 134 45 64 47 77 80 22 77 8 8
MINRISOTA. 79	198 82 73 70 116 290 190 202 209 316 356 325 241 417 300 311 3, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 365 26, 232 25, 197 20, 231 18, 635 19, 450 20, 568 22, 820 24, 900 25, 230 25, 540 5, 086 6, 242 6, 362 7, 187	1. 27 .78 .58 .49 .75 1. 20 .78 .77 1. 02 1. 50 1. 91 1. 06 1. 67 1. 43 1. 52 1. 12	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 982 4, 510, 101 1, 539, 683 2, 205, 740 3, 222, 900 4, 811, 722 4, 299, 295 5, 856, 857 2, 699, 293 3, 673, 838 9, 705, 574 5, 156, 666 5, 290, 239 57, 878, 311	NEVADA. 1870	34 41 24 29 35 35 12 14 9 18 10 6 8 4 1 1	1, 661 1, 568 1, 514 1, 471 1, 411 1, 230 1, 280 1, 290 1, 370 1, 347 1, 369 1, 262 1, 173 1, 184 7, 295 7, 462 7, 655 7, 650	2. 05 2. 56 1. 60 1. 93 2. 50 2. 50 1. 78 1. 192 99 1. 00 67 73 46 64 34 34 99 08	495 641 297 188 310 190 828 134 45 64 47 77 80 22 77 8 8
MINNESOTA. 79	198 82 73 70 116 230 190 202 209 316 356 323 228 241 417 360 311 8,903	10, 073 11, 247 12, 505 14, 088 15, 312 2 18, 164 24, 355 26, 232 26, 197 20, 231 18, 636 19, 450 20, 588 22, 820 24, 900 25, 230 25, 640	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 50 1. 91 1. 66 1. 25 1. 06 1. 25 1. 12 1. 12 1. 12 1. 12 1. 14 2. 40 2. 40 2. 74 1. 74	1, 241, 697 1, 907, 969 391, 827 365, 990 1, 129, 682 4, 510, 101, 1, 559, 093 2, 205, 740 3, 222, 800 4, 811, 722 4, 239, 235 5, 856, 857 2, 639, 231 3, 673, 838 9, 705, 374 5, 156, 095 5, 290, 233 57, 878, 311	NEVADA. 1870	344 411 244 299 355 255 129 255 144 9 133 100 6 8 4 11 1 259	1, 661 1, 568 1, 514 1, 471 1, 471 1, 420 1, 280 1, 280 1, 370 1, 370 1, 390 1, 390 1, 390 1, 390 1, 1, 184 1, 192 1, 173 1, 184 7, 402 7, 665 7, 463 7, 463	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 00 67 73 46 64 4. 34 .00 .08	495 541 295 2188 316 190 322 134 44 54 47 77 80 92 77 78 82 82 134 14 85 14 17 18 18 18 18 18 18 18 18 18 18 18 18 18
MINRISOTA. 79	198 82 73 70 116 230 190 302 209 316 356 323 248 241 417 380 311 3, 903	10,073 11,247 12,505 14,088 15,312 18,164 24,355 26,232 26,197 20,231 18,635 19,450 22,588 22,620 25,230 25,540 4,900 25,230 25,4900 46,362 47,187 48,216 48,216 49,043	1. 27 .78 .56 .49 .75 1. 20 .78 .77 1. 62 1. 20 1. 91 1. 43 1. 22 1. 12 1. 14 1. 12 2. 40 2. 40 2. 74 1. 89 2. 40 2. 74 1. 89	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 882 4, 510, 101 1, 539, 963 2, 205, 740 8, 222, 800 4, 811, 722 4, 239, 235 5, 856, 857 2, 639, 231 3, 673, 838 9, 705, 374 5, 156, 666 5, 290, 239 57, 878, 311	NEVADA. 1870	344 411 244 299 395 295 295 113 114 9 113 100 0 6 8 4 1 1 1 289 329 329 329 329 329 329 329 329 329 32	1, 661 1, 588 1, 514 1, 471 1, 471 1, 280 1, 280 1, 270 1, 370 1, 390 1, 390 1, 390 1, 390 1, 102 1, 102 1, 173 1, 184 7, 402 7, 655 7, 403 7,	2. 05 2. 56 1. 60 1. 93 2. 50 2. 50 1. 78 1. 192 2. 99 1. 00 67 73 46 64 34 90 00 00 1. 19 1. 10 1. 10	428 544 544 547 547 547 547 547 547 547 547
MINNESOTA. 779	198 82 73 70 116 220 199 316 356 355 248 241 417 369 381 38, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 26, 232 26, 197 26, 231 18, 635 19, 450 20, 588 22, 820 24, 900 25, 230 25, 230 25, 240 25, 250 25, 250 25, 250 26, 362 27, 187 8, 216 8, 362 7, 187 8, 216 9, 043 9, 044	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 91 1. 06 1. 25 1. 06 1. 25 1. 06 1. 43 1. 43 1. 42 1. 42 1. 43 1. 44 1. 48 2. 40 2. 74 1. 84 1. 72 1. 73 1. 74 1. 74	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 982 4, 510, 101 1, 559, 093 2, 205, 740 3, 222, 900 4, 811, 722 4, 299, 285 5, 856, 857 2, 699, 283 3, 673, 838 9, 705, 374 5, 156, 096 5, 290, 239 57, 878, 311 901, 374 700, 510 1, 942, 129 2, 335, 667, 22 2, 365, 677 2, 668, 722 3, 001, 254	NEVADA. 1870	344 411 244 299 395 295 295 113 114 9 113 100 0 6 8 4 1 1 1 289 329 329 329 329 329 329 329 329 329 32	1, 661 1, 588 1, 514 1, 471 1, 471 1, 280 1, 280 1, 270 1, 370 1, 390 1, 390 1, 390 1, 390 1, 102 1, 102 1, 173 1, 184 7, 402 7, 655 7, 403 7,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 2. 50 1. 00 67 .93 .46 6. 64 .43 .40 .00 .08 .1. 10	428 544 544 547 547 547 547 547 547 547 547
MINNESOTA. 779	198 82 73 70 116 220 199 316 335 228 241 417 300 311 3, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 305 26, 232 25, 19, 450 20, 598 22, 820 24, 900 25, 230 25, 540 5, 086 6, 362 6, 6, 362 6, 6, 362 6, 6, 362 7, 187 8, 216 9, 944 9, 904 8, 876	1. 27 .78 .56 .49 .75 1. 20 .78 .77 1. 62 1. 20 1. 91 1. 43 1. 22 1. 12 1. 14 1. 12 2. 40 2. 40 2. 74 1. 89 2. 40 2. 74 1. 89	1, 241, 697 1, 907, 989 391, 827 365, 990 1, 129, 882 4, 510, 101 1, 539, 693 2, 205, 740 3, 222, 800 4, 811, 722 4, 239, 235 5, 856, 857 2, 639, 281 9, 705, 374 5, 156, 696 5, 290, 239 57, 878, 311 901, 374 700, 540 1, 942, 139 2, 335, 657 2, 668, 728 3, 001, 254 998, 130 1, 127, 108 1, 127, 108 1, 127, 108	NEVADA. 1870	344 411 244 299 395 295 295 113 114 9 113 100 0 6 8 4 1 1 1 289 329 329 329 329 329 329 329 329 329 32	1, 661 1, 588 1, 514 1, 471 1, 471 1, 280 1, 280 1, 270 1, 370 1, 390 1, 390 1, 390 1, 390 1, 102 1, 102 1, 173 1, 184 7, 402 7, 655 7, 403 7,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 78 1. 92 1. 99 1. 00 67 .93 .46 64 .34 .99 .08 .1. 19	429 541 541 541 541 541 541 541 541 541 541
MINNESOTA. 79	198 82 73 70 116 230 190 202 209 316 356 322 208 241 417 360 311 8, 903	10, 073 11, 247 12, 505 14, 088 15, 312, 24 18, 164 24, 365 36, 232 36, 197 36, 231 18, 636 20, 588 22, 820 25, 230 25, 240 25, 230 25, 240 26, 362 27, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 7, 187 8, 216 6, 362 8, 368 8, 376 8, 388 8, 388 8, 578	1. 27 .78 .58 .49 .79 .78 .77 1. 20 1. 20 1. 91 1. 06 1. 25 1. 06 1. 67 1. 43 1. 52 1. 12	1, 241, 697 1, 607, 969 391, 827 365, 990 1, 129, 982 4, 510, 101, 1, 539, 083 2, 205, 740 3, 222, 900 4, 811, 722 4, 299, 295 5, 856, 857 2, 699, 293 3, 673, 838 9, 705, 574 5, 156, 696 5, 290, 239 57, 878, 311 901, 374 700, 610 1, 1942, 129 2, 335, 657 2, 668, 722 3, 301, 254 998, 131 1, 133, 134 1, 1088, 615	NEVADA. 1870	344 411 244 299 290 200 200 200 200 200 200 200 200	1, 661 1, 568 1, 514 1, 471 1, 471 1, 320 1, 320 1, 370 1, 377 1, 390 1, 377 1, 390 1, 372 1, 173 1, 184 2, 1, 173 1, 184 2, 1, 173 1, 184 2, 1, 173 1, 184 2, 1, 184 2, 184	2. 05 2. 56 1. 60 1. 93 2. 50 2. 50 1. 78 1. 192 2. 99 1. 00 67 73 46 64 43 4. 00 0. 08 2. 119 2. 219 2. 21	42% 541 207 1188 316 1199 828 1154 44 177 66 277 18 83 380 411 117 566 422 20 45
MINNESOTA. 979 980 980 981 982 984 985 989 980 981 Totals and average MISSISSIPPI. 970 980 980 980 980 980 881 984 985 988 988 988	198 82 73 70 116 230 202 209 316 356 323 248 241 417 360 311 3, 903 70 65 1153 1197 123 110 123 124 125 125 125 125 125 125 125 125 125 125	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 29, 355 20, 522 20, 5197 20, 231 18, 635 19, 450 20, 568 22, 620 24, 900 25, 230 25, 540 5, 686 6, 242 6, 352 7, 187 8, 216 9, 034 8, 276 8, 888 8, 276 8, 888 8, 778 8, 841	1. 27 . 73 . 56 . 49 . 75 . 78 . 78 . 78 . 1. 20 1. 20 1. 20 1. 43 1. 43 1. 43 1. 12 1. 14 1. 12 2. 40 2. 74 1. 184 1. 184	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 682 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 900 4, 811, 722 4, 299, 236 5, 856, 857 2, 659, 281 3, 673, 838 9, 706, 374 5, 156, 696 5, 290, 239 57, 878, 311 901, 374 700, 540 1, 942, 129 2, 335, 967 2, 656, 722 3, 001, 254 998, 150 1, 127, 108 1, 133, 134 1, 088, 615 1, 971, 906	NEVADA. 1870	84 41 1 289 63 32 64 46 46 46 46	1, 061 1, 568 1, 514 1, 471 1, 411 1, 230 1, 280 1, 280 1, 370 1, 362 1, 362 1, 362 1, 173 1, 184 7, 235 7, 462 7, 635 7, 639 7, 613 7, 613 7, 613 8, 173 8,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 99 1. 00 67 .93 .46 64 .34 .99 .08 .1. 19	425 641 207 1192 310 100 322 134 44 417 00 27 77 78 8 2, 870 417 332 300 417 575 575 417 575 575 417 575 575 417 575 575 444 444 447 447 447 447 447 44
MINNESOTA. 379 380 381 382 383 384 385 387 388 389 389 380 381 Totals and average MISSISSIPPI 570 MISSISSIPPI 570 580 581 582 583 584 585 586 686 686	198 82 73 70 116 230 190 302 209 316 356 323 228 341 417 380 311 8,903	10, 073 11, 247 12, 505 14, 088 15, 312, 25 18, 164 24, 365 36, 232 36, 197 30, 231 18, 636 19, 450 20, 588 22, 820 25, 540 25, 540 25, 540 26, 6, 362 27, 187 8, 246 38, 888 38, 762 88, 841 8, 481 8, 481	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 50 1. 91 1. 66 1. 25 1. 10 1. 43 1. 42 2. 40 2. 74 1. 12 1. 12	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 682 4, 510, 101 1, 539, 693 2, 205, 740 8, 222, 900 4, 811, 722 4, 299, 236 5, 856, 857 2, 659, 281 3, 673, 838 9, 706, 374 5, 156, 696 5, 290, 239 57, 878, 311 901, 374 700, 540 1, 942, 129 2, 335, 967 2, 656, 722 3, 001, 254 998, 150 1, 127, 108 1, 133, 134 1, 088, 615 1, 971, 906	NEVADA. 1870	84 41 1 289 63 32 64 46 46 46 46 47 45	1, 061 1, 568 1, 514 1, 471 1, 471 1, 230 1, 280 1, 270 1, 370 1, 362 1, 362 1, 102 1, 173 1, 184 7, 205 7, 462 7, 633 7, 630 7, 630 7, 630 7, 630 7, 630 8, 236 8,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 99 1. 00 67 .93 .46 64 .34 .99 .08 .1. 19	4255 641 207 182 310 190 228 134 44 127 60 27 70 8 8 2,870 417 161 322 320 417 675 645 444 675 675 675 675 675 675 675 675 675 675
MINNESOTA. 879	198 82 73 70 116 230 190 202 209 816 356 325 228 241 417 380 3111 8, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 21, 355 26, 232 26, 197 20, 231 18, 635 19, 450 20, 588 22, 820 25, 230 25, 540 5, 086 6, 342 6, 362 7, 187 8, 216 9, 043 8, 778 8, 88 8,	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 50 1. 91 1. 66 1. 25 1. 10 1. 43 2. 40 2. 74 1. 12 2. 10 1. 16 1. 16 1. 17 2. 10 2. 40 2. 74 1. 16 1. 16 2. 16	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 882 4, 510, 101, 1, 559, 083 2, 205, 740 3, 222, 800 4, 811, 722 4, 299, 285 5, 856, 857 2, 699, 283 3, 673, 838 9, 705, 374 5, 156, 086 5, 290, 239 57, 878, 311 901, 374 700, 510 1, 192, 129 2, 335, 697 2, 658, 722 3, 601, 254 3, 001, 254 3,	NEVADA. 1870	84 41 1 289 63 32 64 46 46 46 46 47 45	1, 061 1, 568 1, 514 1, 471 1, 471 1, 230 1, 280 1, 270 1, 370 1, 362 1, 362 1, 102 1, 173 1, 184 7, 205 7, 462 7, 633 7, 630 7, 630 7, 630 7, 630 7, 630 8, 236 8,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 00 67 73 46 4. 64 34 .00 .08 - 1. 19	425 6411 207 182 310 196 228 134 45 44 170 00 27 77 8 8 2,870 417 1851 882 306 418 672 632 429 2266 448 382 2216
MINNESOTA. 879	198 82 73 70 116 230 1190 202 209 816 356 353 228 241 417 3600 811 8, 903	10, 073 11, 247 12, 505 14, 088 15, 312, 247 18, 164 24, 355 36, 232 26, 197 20, 231 18, 635 19, 450 20, 588 22, 820 25, 540 25, 230 25, 540 26, 6, 362 27, 187 8, 216 8, 688 8, 688 8, 688 8, 788 8, 841 8, 453 8, 194 8, 618	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 50 1. 91 1. 66 1. 25 1. 10 1. 43 2. 40 2. 74 1. 12 2. 10 1. 16 1. 16 1. 17 2. 10 2. 40 2. 74 1. 16 1. 16 2. 16	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 882 4, 510, 101, 1, 559, 083 2, 205, 740 3, 222, 800 4, 811, 722 4, 299, 285 5, 856, 857 2, 699, 283 3, 673, 838 9, 705, 374 5, 156, 086 5, 290, 239 57, 878, 311 901, 374 700, 510 1, 192, 129 2, 335, 697 2, 658, 722 3, 601, 254 3, 001, 254 3,	NEVADA. 1870	84 41 1 289 63 32 64 46 46 46 46 47 45	1, 661 1, 568 1, 514 1, 471 1, 411 1, 411 1, 230 1, 290 1, 370 1, 362 1, 362 1, 362 1, 173 1, 184	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 00 67 73 46 4. 64 34 .00 .08 - 1. 19	425, 541, 1267, 182, 310, 196, 228, 124, 45, 44, 170, 27, 77, 8, 8, 2, 879, 417, 151, 312, 396, 418, 452, 458, 449, 321, 527, 276, 276, 276, 276, 276, 276, 276, 2
MINNESOTA. 379	198 82 73 70 116 220 199 216 2356 335 248 241 417 369 311 8,903	10, 073 11, 247 12, 505 14, 088 15, 312, 247 18, 164 24, 355 36, 232 26, 197 20, 231 18, 635 19, 450 20, 588 22, 820 25, 540 25, 230 25, 540 26, 6, 362 27, 187 8, 216 8, 688 8, 688 8, 688 8, 788 8, 841 8, 453 8, 194 8, 618	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 06 1. 25 1. 06 1. 67 1. 43 2. 40 2. 74 1. 84 1. 72 1. 16 1. 16	1, 241, 697 1, 807, 969 391, 827 365, 990 1, 129, 882 4, 510, 101, 1, 559, 083 2, 205, 740 3, 222, 900 4, 811, 722 4, 299, 285 5, 856, 857 2, 699, 283 3, 673, 838 9, 705, 374 5, 156, 086 5, 290, 239 57, 878, 311 901, 374 700, 510 1, 192, 129 2, 335, 697 2, 658, 722 3, 601, 254 3, 001, 254 3,	NEVADA. 1870	344 411 244 259 355 255 257 258 258 258 258 258 258 258 258 258 258	1, 661 1, 568 1, 514 1, 471 1, 411 1, 220 1, 230 1, 370 1, 947 1, 980 1, 770 1, 164 1, 162 1, 173 1, 173 1, 173 1, 173 1, 173 1, 173 1, 173 1, 173 1, 173 1, 184 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1, 184 1, 187 1,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 76 1. 92 1. 00 67 73 46 4. 64 34 .00 .08 - 1. 19	425, 541, 1267, 182, 310, 196, 228, 124, 45, 44, 170, 27, 77, 8, 8, 2, 879, 417, 151, 322, 396, 418, 572, 563, 429, 248, 449, 323, 572, 578, 579, 579, 579, 579, 579, 579, 579, 579
MINNESOTA. 979	198 82 73 70 116 230 1190 202 209 816 356 353 228 241 417 3600 811 8, 903	10, 073 11, 247 12, 505 14, 088 15, 312 18, 164 24, 355 26, 232 25, 19, 450 20, 588 22, 820 24, 900 25, 230 25, 540	1. 27 .73 .56 .49 .75 1. 30 .78 .77 1. 02 1. 50 1. 91 1. 66 1. 25 1. 10 1. 43 2. 40 2. 74 1. 12 2. 10 1. 16 1. 16 1. 17 2. 10 2. 40 2. 74 1. 16 1. 16 2. 16	1, 241, 697 1, 907, 909 391, 827 365, 990 1, 129, 892 4, 510, 101 1, 559, 093 2, 205, 740 3, 222, 800 4, 811, 722 4, 299, 283 5, 686, 857 2, 699, 283 3, 673, 838 9, 705, 374 5, 156, 096 5, 290, 239 57, 878, 311 901, 374 700, 540 1, 942, 129 2, 335, 657 2, 668, 722 3, 601, 254 9, 98, 150 1, 127, 108 1, 133, 134 1, 088, 615 977, 908 1, 1924, 576 3, 615, 425 3, 615, 425	NEVADA. 1870	344 411 244 259 355 255 257 258 258 258 258 258 258 258 258 258 258	1, 661 1, 568 1, 514 1, 471 1, 411 1, 320 1, 320 1, 370 1, 947 1, 980 1, 370 1, 947 1, 980 1, 700 1, 184 1, 182 1, 183 1, 184 1,	2. 05 2. 56 1. 60 1. 93 2. 50 1. 78 1. 92 1. 00 67 . 98 . 73 46 64 . 64 . 64 . 64 . 64 . 64 . 64 . 6	425 541 267 182 310 196 228 134 45 54 44 170 60 27 77 79 8 8 2, 879 417 1651 812 306 418 672 563 429 206 448 325 215 27

	Number	Number	Per cent		TABLE OF COMMERCIAL AN	Number	Number	Per cent	
Year.	of failures.	engaged in business.	of failures.	Liabilities.	Year.	of failures.	engaged in business.	of failures.	Liabilities
NEW JERSEY.					PENNSYLVANIA.				
79	148	20, 104	0.71	\$1,201,086	1879	711	81,633	0.87	\$11,328,7
80	- 89	21, 161 21, 633	.42	984,556	1880	422	82,552	.51	6, 785, 7
82	113	22,786	.36	4,536,346 1,871,998	1883	384 540	83, 362 86, 801	. 46	6, 195, 3
83	121	23, 949	.50	2, 182, 425	1883	705	92,400	.62	9,661,7 13,571,4
84	119	25, 172 26, 282	.47	1,319,339 949,649	1884	878	99,884	.88	19, 232, 1
85	111	27,499	.40	622, 218	1886	962 822	78,959 106,526	1.20	12, 856, 1 8, 392, 0
47	120	29,849	.40	1,722,971	1887	934	83, 565	1.12	15, 308, 1
89	151 128	30,875 32,157	.49	1,485,847 1,469,846	1888	1,071	109,699 87,167	1.23	10,499,7
90	154	33, 186	. 46	2,779,871	1890	1, 161	114,804	1.11	19,064,3 17,869,
01	187 138	34, 384 36, 353	.54	4,479,534 1,504,851	1891	1,283	117,633	1.09	25, 447,
83	322	87,853 87,526	.85	4, 783, 805	1893	955 1,398	122,780 125,726	1.11	10,576, 58,253,
94	212 182	37,526 37,260	.56	3, 351, 766	1004	1,433	100,824	1.42	15,685,
Totals and average	2,489	01,200	.49	3, 612, 488	Totals and average	1,349	133, 062	1.01	11,739,
NEW YORK.	20, 200	-	. 10	00,000,000	RHODE ISLAND.	15, 903		. 93	272, 468,
9	1,304	109, 459	1.19	21, 603, 347	1879	95	5,083	1.87	3,004,
0	876	114,096	.76	25,077,510	1880	79	5, 175	1.55	958,
82	817	116,441 118,980	.70	19,525,388 28,356,525	1881	77 96	5, 258 5, 668	1.45	1,612,
83	1,130	124, 354	.91	39,004,933	1883	100	5,925	1.68 1.84	2, 155, 3, 251,
4	1,424 1,183	130, 180	1.09	88, 825, 615	1884	136	6,330	2.15	3, 285,
86	1,149	136, 568	.89 .84 .75	27, 874, 337 22, 265, 755	1885	126	6,749 7,047	1.88 1.31	1,248,
7	1,000	141,177	.75	49, 114, 730	1887	122	7,306	1.67	725 3, 127
9	1,280 1,174	145, 481 147, 766	.88	25,004,849 26,846,613	1888	132 130	7,738 8,142	1.70	1,226
0	1,324	149, 168	.86	52, 521, 126	1880	107	8,241	1.60	10,048
1	1,349	148,948	.91	33,991,960	1891	102	8,608	1.19	1,541
3	1,119 1,916	154,024 152,054	1.26	16,799,937 84,923,844	1892	136	8,799 8,930	1.55	1,277
4	1,976	96, 236	2.08	36, 858, 225	1894	187	9, 320	2.03	1,034
0	1,940	147,216	1.32	45, 225, 534	1895	202	9,003	2.10	3,771
Totals and average	21,938	******	.98	643, 910, 228	Totals and average	2,100		1.70	43,877
NOBTH CAROLINA.	100	F 010	1 10	1 000 000	SOUTH CAROLINA.	_			
9 0	100 53	7,013	1.43	1,000,290 411,658	1880	73 48	4,662 5,182	1.57	2,497
11	83	7,868	1.05	591,874	1881	90		1.66	684
20	134 154	8,585 9,305	1.55 1.65	931,822	1882	98		1.61	908
33 4	170	9,714	1.75	1,241,621	1884	102		1.52 1.59	1,151
85	160	9,475	1.78	1,044,113	1885	119	6,470	1.83	1,428
86	113 145	9,311 9,755	1.21	969, 961 1, 008, 932	1886	111	6,726	1.65	1,053
88	151	10,360	1.46	1,408,924	1887	78 66		1.11	1,073
39	197	10,724	1.84	1,384,754	1889	82	7,418	1.11	928
90 91	109 128	11,833 13,139	.92	670,640 1,381,706	1890	72 82		.98	419 518
92	107	11,068	.97	1,059,732	1892	99		1.24	764
93	200	11,472 11,306	1.74	2,416,551	1893	83		1.08	735
94	108	11,406	1.23	1,901,810 1,231,747	1894	102		1.25 1.34	2, 121 1, 263
Totals and average	2,255	**********	1.34	20, 103, 941	Totals and average	1,490		1.82	17,246
оню.	334	51,298	. 65	4,407,875	TENNESSEE.	159	8,738	1.74	1,509
80	190	53,005	.36	1,840,559	1879	105		1.07	
30	235	55,790	.42	2,799,873	1881	187		1.50	
83	615	59,433 61,921	.56	3, 452, 551 12, 250, 848	1882 1883	164		1.34	
84	664	64,654	1.02	12, 605, 921	1884	238		1.66	1,65
85	679 580	67, 339 66, 812	1.01	7,666,408 6,841,558	1885	282		2.27 1.22	
37	516		.86	8,825,150	1886	196	12,875	1.53	
88	538	71,516	.75	5, 796, 806	1888	206	13,553	1.52	1,55
0	. 501 555	72, 219 75, 438	.74	7,894,098 6,791,213	1889	219 257		1.56	
11	578	77,069	.75	6,845,748	1891	426	14,874	2.86	6, 39
<u>12</u>	486 855		1.09	5, 202, 638	1892	298		2.04	
M	711		.84		1894	347		2.91	
05	718	85, 146	.84	10,043,789	1895	273		1.90	2,646
Totals and average	9,090		. 78	131, 443, 373	Totals and average	4,148		1.83	44,18
OREGON.		9 000	1 00	400 045	TEXAS.	100	10.004	1	100
0	50		1.80 2.00	438, 045 674, 342	1879	150		1.29	
81	- 38	3,702	.89	296, 214	1881	. 234	14,523	1.60	2,71
8		4,027	.87	193,500	1882	. 204	17,246	1.18	1.64
	. 230	2,642	2. 11 8. 45	955, 106 1, 457, 500	1883	- 493		1.69 2.60	
55	. 162	5,503	2, 95	738, 100	1885	. 368	19,636	1.88	3,39
87			2.06	717,900 647,200	1886	507		2.77	
88	. 130	6,273	2.21	1,086,000	1887	565		2.00	4,11
89	- 66	6,695	.96	250, 300	1880	. 887	23, 392	1.65	4,50
91	1.57	7,027	1.92		1890			1.18	
02	- 215	7,871	2.73	1,615,100	1893	457	24,240	1.89	5,21
93		7,837	2.80	1,957,100	1893	. 579	27, 465	2.11	5,44
05	216		2.73 2.77	2,542,492 1,758,511	1804	. 471 861		1,76 2,00	
	1			71007588		1	,		A, 00
Totals and average	2,230		2.41	16, 598, 510	Totals and average	6,820		. 1.80	71,4

	Number	Number engaged in	Per cent	Liabilities.
	failures.	business.	failures.	
VERMONT.				
879	68	6,649	0.95	\$359, 73
880	32 24	6,699	.48	251,78 155,00
862	30	6,607	.60	147,86
883	45	6,703 6,642	. 67	6, 724, 96
SS4	48	6,642	.72	683, 70
886	44 45	6, 518 6, 543 6, 603 6, 629	. 68	
887	45	6,003	.68	543, 45 236, 06 197, 96 319, 25
888	34	6,629	.51	197,90
889	40 39	6 497	.63	319,2
1801	43	6,471		225.10
892	34	6, 471 6, 704 6, 794 7, 001	.51	404, 47 225, 10 157, 58
893	44 33	6,794	. 65	200, 20
865	36	7,176	.47	315, 01 145, 30
Totals and average	686		. 61	10, 410, 80
	400	*********	, 02	20, 210, 01
VIRGINIA.	84	10,540	.80	848 64
86	85	10,540 11,021 11,605 12,090 13,149 14,085	- 27	848, 66 708, 18
881	98	11,605	. 85	708, 16 670, 56
883	137 134	12,000	1.14	2,230,2
884	193	14,085	1.00 1.36	1,448,8 2,415,2
885	270	12,200	1.88	7,646,0
886	223 138	14, 499 15, 450	1.54	1,750,7
1888	168	16,084	1.04	1,446,8 2,415,2 7,646,0 1,750,7 1,046,0 1,927,7 1,403,90
880	191	15,875	1.20	1,403,9
801	148 180	18,413 19,514 18,301	.80	
892	178	18,301	.97	1,629,1 1,323,6
893	252	18,003	1.40	2,400,8
1994	267 305	18,003 17,949 10,307	1.49 1.67	2,026,0
1895		10,007		2,929,4
Totals and average	3,051	*****	1.16	33, 614, 4
WASHINGTON.	58	1,050	5.52	1771 0
1880	13	1,424	.93	171,3 80,5
1881	12	1,424 1,647	. 75	99, 5
1883	20 50	9,977	1.05 2.17	128, 3
1884	143	1,847 2,277 2,694	5. 29	546, 8 841. 2
1885	113	3, 245	3.53	841,2 588,2
1887	63 54	3,455 3,861	1.85 1.40	420, 6
1888	65	4,572	1.43	233, 5 410, 0
1880	119	8,041	1.48	1,235,5 2,000,8
1891	266 309	9,857	2.70 2.61	2,000,8
1802	196	11,857 12,957	1.51	2,274,7 992,3
1893	272	12,555 7,971	2.17	1 3,968,0
1804	180			
	1 180	8 108	2.26	2,073,6
	160	8, 108	2.26 1.97	1,579,0
Totals and average		8,108	2. 28 1. 97 2. 26	1,579,0
Totals and average WEST VIRGINIA.	2,003	0, 100	2. 26 1. 97 2. 26	1,579,0
Totals and average WEST VIRGINIA. 1879	2,003 27 14	5, 743 6, 191	2.26 1.97 2.26	1,579,0 17,708,3 194,0 98,1
Totals and average WEST VIRGINIA. 1879.	2,003	5, 743 6, 191 6, 454 6, 791	2.26 1.97 2.26 -47 .23 .63	1,579,0 17,708,3 124,0 96,1 188,2
Totals and average WEST VIRGINIA. 1870 1880 1881	2,003 27 14 41 45 55	5, 743 6, 191 6, 454 6, 791	2. 26 1. 97 2. 26 . 47 . 23 . 63 . 66 . 73	1,579,0 17,708,3 194,0 96,1 188,2 389,4
Totals and average WEST VIRGINIA. 1879 1880 1881 1883 1884	2,003 27 14 41 45 55 66	5, 743 6, 191 6, 454 6, 791 7, 545 7, 906	2. 26 1. 97 2. 26 . 47 . 23 . 63 . 66 . 73	1,579,0 17,708,3 124,0 96,1 188,2 389,4 407,0 605,5
Totals and average WEST VIRGINIA. 1879 1880 1881 1882 1883	2,003 27 14 41 45 55 66 96	5, 743 6, 191 6, 454 6, 791 7, 545 7, 996 8, 244	2, 26 1, 97 2, 26 47 23 63 63 73 82 1, 17	1,579,0 17,708,3 124,0 96,1 188,2 389,4 407,0 605,5
Totals and average WEST VIRGINIA. 1870	2,003 27 14 41 45 55 66 96 77 57	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.26 .47 .23 .63 .66 .73 .82 1.17	1,579,0 17,708,3 124,6 96,1 188,2 389,4 407,0 605,5 751,3 548,7
Totals and average WEST VIRGINIA. 1870 1880 1881 1883 1883 1884 1886 1886 1886 1887 1888	2,003 27 14 41 45 55 66 96 77 57	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .66 .73 .82 1.17 .95	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 548,2 385,6 442,8
Totals and average WEST VIRGINIA. 1870 1880 1881 1882 1883 1884 1885 1886 1886	2,003 27 14 41 45 55 66 96 77 77	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.26 .47 .23 .63 .66 .73 .82 1.17 .95 .67 .74	1,579,0 17,708,3 194,0 96,1,1 188,2 389,4 407,0 005,5 751,3 548,7 385,6 442,9
Totals and average WEST VIRGINIA. 1879. 1880. 1881. 1882. 1883. 1884. 1888. 1888. 1888.	2,003 27 14 41 45 55 66 96 77 57 60 77 67	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .63 .73 .82 1.17 .74 .84	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 605,5 751,3 548,7 385,6 442,9 330,9 407,0
Totals and average WEST VIRGINIA. 1870	2,003 27 14 41 45 55 66 96 27 57 69 77 72 30	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .63 .82 1.17 .95 .67 .74 .84 .65	336, 9 407, 6 340, 9
Totals and average WEST VIRGINIA. 1870. 1880. 1881. 1882. 1883. 1886. 1886. 1886. 1888. 1888. 1889. 1889. 1889. 1889.	2,003 27 14 41 45 55 66 96 77 67 77 67 72 23 30	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .63 .73 .82 1.17 .95 .67 .74 .84 .65 .73 .37 .37	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 605,5 751,3 548,7 385,6 442,9 330,9 407,0
Totals and average WEST VIRGINIA. 1879 1880 1881 1882 1883 1884 1885 1888 1888 1888 1888 1888 1888	2,003 27 14 41 45 55 66 96 77 57 60 77 77 22 30 54	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .63 .66 .73 .82 1.17 .96 .67 .74 .65 .73 .74 .65 .73 .74 .74 .74 .75 .75 .77 .75 .77 .75 .77 .77 .77 .77	1,579,0 17,708,3 194,0 96,1,1 188,2 399,4 407,0 005,5 751,3 544,2 386,6 442,6 336,4 407,0
Totals and average WEST VIRGINIA. 1879 1880 1880 1881 1882 1883 1884 1885 1886 1889 1889 1889 1889 1889 1889 1889	2,003 27 14 41 45 55 66 96 77 57 69 77 72 30 54 100	5, 743 6, 191 6, 454 6, 791 7, 545 8, 244 8, 177 8, 513 9, 201 10, 270 8, 484 10, 270 10, 650	2.26 1.97 2.28 .47 .23 .63 .63 .73 .82 1.17 .95 .67 .74 .48 .65 .73 .77 .51 .94 .66	1,579,0 17,708,3 194,0 96,1 188,2 399,4 407,0 605,5 751,3 548,7 385,6 442,9 390,4 407,0 399,1 101,6
Totals and average WEST VIRGINIA. 1870. 1880. 1880. 1881. 1882. 1883. 1884. 1885. 1889.	2,003 27 14 41 45 55 66 96 77 57 69 77 72 30 54 100	5, 743 6, 191 6, 454 6, 791 7, 545 7, 998 8, 244 8, 177	2.26 1.97 2.28 .47 .23 .63 .63 .66 .73 .82 1.17 .96 .67 .74 .65 .73 .74 .65 .73 .74 .74 .74 .75 .75 .77 .75 .77 .75 .77 .77 .77 .77	1,579,0 17,708,3 194,0 96,1 188,2 399,4 407,0 605,5 751,3 548,7 385,6 442,9 390,4 407,0 399,1 101,6
Totals and average WEST VIRGINIA. 1870. 1880. 1881. 1883. 1883. 1886. 1886. 1886. 1889. 1889. 1889. 1889. 1889. 1889. 1889. 1890. 1891. 1890. 1891. 1892. 1893. 1894. 1895. Totals and average WISCONSIN.	2,003 27 14 41 45 55 66 96 77 67 77 60 77 72 30 54 100 69	5, 743 6, 191 6, 454 6, 791 7, 545 7, 968 8, 244 8, 177 8, 513 9, 291 10, 270 11, 417 10, 650 16, 544 10, 408	2.26 1.97 2.28 .47 .23 .63 .63 .66 .73 .82 1.17 .95 .67 .74 .84 .65 .73 .37 .51 .94 .66	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879. 1880. 1883. 1883. 1884. 1885. 1886. 1887. 1888. 1899. 1899. 1899. 1899. 1899. 1898. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899. 1899.	2,003 27 14 41 45 55 66 96 77 67 77 60 77 72 30 54 100 69	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.28 47 23 63 63 63 73 82 1.17 96 67 74 84 65 73 37 51 94 66 89	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1870 1880 1881 1881 1882 1883 1884 1886 1888 1889 1889 1889 1889 1889 1889	2,003 27 14 41 45 55 66 96 77 77 67 72 30 54 100 69 1,025	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.26 47 23 63 63 63 73 82 1.17 95 67 74 84 65 .73 .77 .51 .94 .60	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879 1880 1881 1882 1884 1888 1889 1889 1889 1889 1889 1889	2,003 27 14 41 45 55 66 96 77 77 67 72 30 54 100 69 1,025	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.26 47 23 63 63 63 63 73 82 1.17 95 67 74 84 65 73 .37 .51 .94 .60 .60	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879. 1880. 1881. 1883. 1883. 1884. 1886. 1886. 1889. 1889. 1890. 1890. 1891. 1891. 1892. 1893. 1894. 1895. Totals and average WISCONSIN. 1879. 1889. 1889. 1889. 1889. 1889.	2,003 27 14 41 45 55 66 96 77 77 67 72 30 54 100 69 1,025	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.28 47 23 63 68 73 82 1.17 95 67 74 84 65 73 37 51 94 66 60 74 34 34 40 67 64	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879 1880 1881 1882 1883 1884 1888 1888 1888 1888 1888 1888	2,003 27 14 41 45 55 66 96 96 97 77 72 30 54 100 1,025 74 77 97 13 170 100 100 100 100 100 100 100	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.26 47 23 63 66 67 74 84 65 67 74 84 65 60 60 60 60 60 60	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879 1890 1883 1884 1885 1888 1889 1889 1889 1890 1891 1890 1891 1895 Totals and average WISCONSIN. 1879 1881 1882 1883 1884 1885 1888 1888 1888 1888 1888 1888	2,003 27 14 41 45 55 66 96 77 77 67 77 23 30 54 100 69 1,025 145 74 77 97 123 170 169 188	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 986 8, 244 8, 177 8, 513 9, 291 10, 270 8, 481 10, 680 10, 641 10, 684 10, 408	2.26 1.97 2.26 47 2.33 63 66 67 73 82 1.17 95 67 74 84 65 73 37 74 84 66 60 60 60 60 60 60 60 60 60 60 60 60	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1870 1880 1881 1881 1883 1884 1883 1886 1889 1889 1889 1889 1889 1889 1889	2,003 27 14 41 45 55 66 96 77 67 67 77 67 72 30 54 100 69 1,025	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 7, 986 8, 244 8, 177 8, 513 9, 201 10, 270 8, 487 10, 680 11, 584 10, 408 11, 580 22, 919 24, 411 25, 803 26, 497 27, 722 28, 517 29, 404	2.26 1.97 2.26 .47 23 .63 .63 .73 .82 1.17 .94 .65 .73 .37 .51 .94 .66 .60 .74 .84 .84 .84 .85 .85 .87 .97 .97 .98 .98 .98 .98 .98 .98 .98 .98 .98 .98	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879. 1880. 1881. 1883. 1883. 1884. 1885. 1886. 1889. 1889. 1890. 1891. 1891. 1892. 1893. 1894. 1895. Totals and average WISCONSIN. 1879. 1881. 1882. 1883. 1884. 1885. 1884.	2,003 27 14 41 41 45 55 66 96 77 77 67 72 30 54 100 69 1,025 145 74 77 123 170 169 1888 132 211	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 7, 986 8, 244 8, 177 8, 513 9, 201 10, 270 8, 487 10, 680 11, 584 10, 408 11, 580 22, 919 24, 411 25, 803 26, 497 27, 722 28, 517 29, 404	2.26 1.97 2.26 .47 23 .63 .63 .73 .82 1.17 .94 .65 .73 .37 .51 .94 .66 .60 .74 .84 .84 .84 .85 .85 .87 .97 .97 .98 .98 .98 .98 .98 .98 .98 .98 .98 .98	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1870 1880 1881 1881 1882 1883 1884 1886 1888 1889 1889 1889 1889 1889 1889	2,003 27 14 41 45 55 66 96 77 67 77 72 30 54 100 69 1,025 145 74 77 97 173 170 169 188 132 211	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 7, 986 8, 244 8, 177 8, 513 9, 201 10, 270 8, 487 10, 680 11, 584 10, 408 11, 580 22, 919 24, 411 25, 803 26, 497 27, 722 28, 517 29, 404	2.26 1.97 2.26 .47 23 .63 .63 .73 .82 1.17 .94 .65 .73 .37 .51 .94 .66 .60 .74 .84 .84 .84 .85 .85 .87 .97 .97 .98 .98 .98 .98 .98 .98 .98 .98 .98 .98	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1879. 1880. 1881. 1883. 1883. 1884. 1885. 1886. 1889. 1889. 1890. 1891. 1891. 1892. 1893. 1894. 1895. Totals and average WISCONSIN. 1879. 1881. 1882. 1883. 1884. 1885. 1884.	2,003 27 14 41 45 55 66 96 77 77 67 72 30 54 100 69 1,025	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 7, 986 8, 244 8, 177 8, 513 9, 201 10, 270 8, 487 10, 680 11, 584 10, 408 11, 580 22, 919 24, 411 25, 803 26, 497 27, 722 28, 517 29, 404	2.26 1.97 2.26 47 23 63 63 63 63 73 82 1.17 94 65 67 74 84 84 65 65 67 69 74 84 84 66 65 69 60 60 60 60 60 60 60 60 60 60 60 60 60	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 805,5 751,8 544,7 385,8 407,0 349,9 161,8 222,8 532,8 533,6 6,640,7
Totals and average WEST VIRGINIA. 1870. 1880. 1880. 1881. 1883. 1883. 1884. 1885. 1886. 1886. 1889.	2,003 27 14 41 45 55 66 96 77 77 67 77 67 72 30 54 100 69 1,025 145 74 77 173 170 169 188 152 211 202 104 172 190 242	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 8, 244 8, 177 8, 513 9, 291 10, 270 8, 487 110, 680 110, 584 10, 408 110, 584	2.26 1.97 2.26 2.26 2.31 2.33 2.33 2.32 2.31 2.32 2.32 2.32	1,579,0 17,708,3 194,0 96,1 188,2 389,4 407,0 605,5 751,3 548,7 385,6 442,9 336,9 407,0 349,9 161,8 222,3 532,2 891,3 6,640,7
Totals and average WEST VIRGINIA. 1879 1880 1881 1882 1883 1884 1885 1886 1886 1887 1889 1890 1891 1890 1891 1891 1892 1893 1894 1895 1896 1897 1889	2,003 27 14 41 45 55 66 96 96 77 77 72 30 54 100 109 1,025 145 77 173 170 169 188 182 211 211 202 232 382	5, 308 5, 743 6, 191 6, 454 6, 791 7, 645 8, 244 8, 177 8, 513 9, 291 10, 270 8, 487 110, 680 110, 584 10, 408 110, 584	2.26 1.97 2.26 47 2.33 63 66 67 74 84 65 73 37 74 84 65 66 60 60 60 60 60 60 60 60 60 60 60 60	1,579,0 17,708,3 194,6 96,1 188,2 399,4 407,6 905,5 751,3 548,7 385,6 442,9 330,4 101,8 222,8 891,3 6,640,7
Totals and average WEST VIRGINIA. 1870. 1880. 1880. 1881. 1883. 1883. 1884. 1885. 1886. 1886. 1889.	2,003 27 14 41 45 55 66 96 77 77 67 77 67 72 30 54 100 69 1,025 145 74 77 173 170 169 188 152 211 202 104 172 190 242	5, 308 5, 743 6, 191 6, 454 6, 791 7, 545 7, 996 8, 244 8, 177 8, 513 9, 291 10, 270 16, 641 10, 584 10, 408 19, 590 21, 728 22, 919 24, 411 25, 803 26, 497 27, 722 28, 517 29, 404 30, 337 31, 437 31, 437 33, 813 38, 837 38, 837 38, 837 38, 837 38, 837	2.26 1.97 2.26 2.26 2.31 2.33 2.33 2.32 2.31 2.32 2.32 2.32	1,579,0 17,708,3 194,6 96,1 188,2 399,4 407,6 905,5 751,3 548,7 385,6 442,9 330,8 101,8 6,640,7 1,886,3 1,499,6 1,106,2 2,867,4 4,252,4 2,909,2 4,252,2 4,252,4 2,209,2 4,209,

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Liabilities.
ALASKA, ARIZONA, DISTRICT OF COLUMBIA, IDAHO, IN- DIAN TERRITORY, NEW MEXICO, ORLAHOMA, UTAH, AND WYOMING. 1879 1880 1881 1882 1884 1885 1886 1887 1888 1889 1890 1890 1891 1891	67 41 50 86 179 128 81 127 91 133 135 119 154 201 224 433 587 453	16, 397 18, 284	1.02 .70 .50 .90 1.80 1.20 .74 .99 .98 .79 1.59 1.17 2.23 2.25 2.35	\$665, 377 369, 438 876, 00 1, 806, 731 1, 983, 731 1, 143, 84 981, 877 2, 231, 73 2, 353, 511 925, 74 1, 10, 65 1, 660, 78 3, 878, 35 3, 878, 25 2, 712, 75
Totals and average	3,268		1.30	30, 225, 03

A recapitulation for all of the States and Territories for the years 1379 to 1835, inclusive, of—

The number of failures by those engaged in commercial and industrial pursuits, the percentage of those so engaged who have failed, and their total liabilities in deliars is shown, as follows:

States and Territories.	Number of failures.	Per cent of failures.	Liabilities.
Alabama	2,114	1.26	\$28, 324, 741
Arkansas	2,185	1.47	21, 302, 868
California		2.09	96, 861, 570
Colorado	2,589	1.56	29, 195, 439
Connecticut	2,811 1,080	.98	80,083,838
Connecticut	1,080	.73	10, 361, 199
Delaware		. 66	5, 332, 995
Florida	961	1.29	8, 395, 629
leorgia	8,401	1.55	42, 863, 766
llinois	9,271	. 78	145, 425, 514
indiana	3, 609	.56	45, 909, 75!
lowa	4,366	.81	43, 569, 10
Kansas	4,020	1.16	30, 602, 065
Kentucky	4,000	1.66	52, 286, 76
ouisiana	2,855	1.65	51, 306, 22
Maine	2,859	1.19	25, 319, 44
		.83	90, 101 40
Maryland	10, 858	1.88	89, 121, 40
Massachusetts			214, 483, 460
Michigan	3, 739	.00	53, 706, 73
Minuesota	3,932	1.19	57, 878, 31
Mississippi	2, 071	1.96	28, 616, 81
Missouri	4,906	. 63	09, 227, 48
Montana		1.00	7,452,06
Nebraska		1.84	20, 171, 41
Nevada	280	1.19	2,879,96
New Hampshire	900	.08	6, 481, 22
New Jersey	2,489	.49	38, 858, 59
New York	21,938	.98	643, 910, 22
North Carolina	2,255	1.34	20, 100, 94
Ohio	9,000	.76	131, 443, 37
Oregon	2,232	2.41	16, 598, 51
Pennsylvania	15,908	.93	272, 468, 54
Rhode Island	2,100	1.70	43, 877, 16
South Carolina	1,490	1.32	17, 246, 55
Fennessee	4, 143	1.83	44, 182, 80
Pexas	6,826	1.80	71, 420, 02
Vermont	696	. 01	10, 410, 89
Virginia	8,051	1.16	33, 614, 47
Washington	8,008	2,26	17, 708, 34
Wast Wassings	1 005	.00	6, 640, 70
Wiscomin	3,011	.68	45, 734, 07
Alaska)	1	
		1	
Arizona			
Idaho			
Indian Territory	3,268	1.30	30, 225, 62
New Mexico		2.00	201,000,000
Oklahoma			
Utah			
Wyoming	1		
Totals and average	171, 389	1.02	2, 611, 521, 70

A recapitulation of commercial and industrial failures for all of the States and Territories for the years 1879 to 1885, inclusive, of—

The number of failures of persons, firms, and corporations engaged in commercial and industrial pursuits, the number engaged, the percentage of failures to those so engaged, and their aggregate liabilities in dollars is shown, as follows:

Years.	Number of failures.	Number engaged in business.	Per cent of failures.	Liabilities.
1879 1880	6,658 4,735 5,582	702, 157 746, 823 781, 689	0.95 .63 .71	\$98,149,068 65,752,000 81,155,902

A recapitulation of commercial and industrial failures, etc.-Continued.

Years.	Number of failures.	Number engaged in business.	of	Liabilities.
1862	10, 968 10, 637 9, 834 9, 634 10, 679 10, 882 10, 907 12, 273 10, 344 15, 242	822, 256 863, 903 904, 739 919, 990 909, 841 994, 281 1, 046, 662 1, 105, 140 1, 110, 590 1, 142, 951 1, 172, 705 1, 198, 113 1, 114, 174 1, 200, 283	0.82 1.06 1.21 1.16 1.01 90 1.02 1.04 1.07 .88 1.28 1.25 1.00	\$101, 547, 566 172, 874, 172 226, 363, 621 124, 230, 321 114, 644, 125 167, 561, 620 123, 829, 973 146, 784, 373 129, 786, 984 189, 888, 638 114, 044, 167 346, 749, 889 172, 266, 830 173, 190, 000
Totals and average	171, 289		1.03	2, 611, 521, 704

THE NEWSPAPER CLIPPINGS

referred to by me are as follows:

A BANKRUPTCY LAW.

[From the Nashville (Tenn.) American.]

[From the Nashville (Tenn.) American.]

It is apparent that but little legislation of a general character is to be transacted by Congress except the passage of the appropriation bills. This seems to have been decided upon by the managers of the majority. There is one measure, however, not affecting politics or the political fortunes of any Presidential candidate, which should be acted upon by both Houses. It is the bankruptcy bill.—a bill needed in every State, in every city, in every business community. It is a measure of vast moment and importance and has in one form or another been before Congress for several years. It is well understood, its main features have been time and again discussed at length, but in previous session, when it was too late to give it the attention it deserved.

The entire business population of the country feels the need of a well-framed bankruptcy law, just in its provisions and easy of administration, a law which in its application will not consume the estate of the debtor, but will equitably divide it among creditors. The subcommittee of the House Judiciary Committee has agreed upon a bill containing the chief features of the proposed Torrey bill, which received the approval of all the chief mercantile and business associations in all the States, and a concerted effort should be made now to induce the committee to have the bill reported and Congress to pass it.

Bradstreet's of hat week, referring to the pending bankruptcy bill, says: "There are some measures of a nonpolitical character before Congress which one would think should commend themselves to even the most cautious political managers as affording an opportunity for escaping from the consideration of more exciting and hazardous matter. One of these measures is the bankruptcy bill, which has been under consideration since Congress organized for work. Some progress has been made with the measure, though not much. "The subcommittee of the House Judiciary Committee has finished the preparation of a bill which in all essentials

[From the Nashville (Tenn.) American.]

[From the Nashville (Teun.) American.]

We believe that a well-considered, carefully drawn bankruptcy law would be an acceptable present to the country.

The serious defects in the former bankruptcy system will serve as a most valuable experience in enacting bankruptcy legislation. The point of the most vital interest in the new measure will be the insertion of adequate provisions to make it certain that the bankrupt who is guilty of actual fraud can have no relief under the act. The bankruptcy proceedings should be cheap and expeditions, and the terms upon which the honest debtor may be relieved should be very easy and liberal. Where one honestly deems his pecuniary condition so hopeless as to make him willing to take upon himself the obloquy which is by some cast upon those possessing a bankrupt dischape, almost the only requirement imposed should be absolute honesty in the premises. The public welfare requires that men honestly and hopelessly in solvent should have the chance to commence business again unfettered by the blighting incubus of debt. It is to be hoped that the present session of Congress may give us a good system of bankruptcy.

PASS THE TORREY BILL

[From the Chattanooga (Tenn.) Times.]

One of the things Congress ought to do, and do it soon, is to pass the Torrey general bankruptcy bill. It is now much more urgently needed than was ever such a law since our Government was founded.

LET CONGRESS DO ITS DUTY.

[From the Nashville (Tenn.) American.]

[From the Nashville (Tenn.) American.]

The condition of the country calls urgently for a good bankruptcy law, and the business interests of the country have been looking confidently to Congress to enact the needed measure, naturally believing that the great record of failures in every branch of business and the accompanying depression of values would adequately impress upon Congress the necessity for a bankruptcy law in the interests of both debtor and creditor, as well as the general welfare of the public.

The best interests of the country imperatively demand it. The vast and varied business of the whole United States, almost all of which is done upon credit, demands a uniform rule extending from the North to the South and from Maine to California, providing for the speedy, inexpensive, and just distribution among creditors of the assets of insolvent debtors. And on the other hand, simple justice as well as the general welfare requires that the honest and unfortunate debtor should be relieved of a burden of debt which it is impossible for him to discharge.

The necessity of Congress possessing the power to regulate this subject is apparent, and that body should feel the responsibility placed upon it in that

respect by the organic law. The imperfections of the old bankruptcy law as demonstrated by its practical workings is a valuable experience when considering the provisions of a new measure. Nothing but captiousness can prevent the framing of a bankruptcy law which would be equitable in its operation upon all sections and classes. It is now seventeen years since the old bankruptcy law was repealed, and the condition of the country urgently demands another. Let Congress perform its plain duty in the matter and give the nation a well-considered, speedy, and inexpensive measure.

THE TORREY BANKRUPTCY BILL.

[From the Nashville (Tenn.) American.]

[From the Nashville (Tenn.) American.]
The Torrey bankruptcy bill is one of the important measures which failed of passage through the last Congress. The business interests of the country would be subserved by the enactment of a well-considered bankruptcy law, and the general opinion was that the Torrey bill properly met the requirements of the situation.

The Torrey bill has been before Congress for several years. It has received strong indersements from all sections of the country.

Judge Stone, whose opinion is given herein, was for over a

quarter of a century before his death the chief justice of the su-preme court of Alabama:

HON. GEORGE W. STONE'S OPINION—THE PROPOSED LEGISLATION, HE THINKS, IS MUCH BETTER THAN THE OLD LAW AND SHOULD BE PASSED.

Hon. George W. Stone, chief justice of the supreme court of Alabama, who is noted by reason of the soundness of his views upon the subject of integrity of commercial transactions, and whose views upon jurisprudence are always interesting and instructive, has been interviewed as to whether he had examined and considered the Torrey bankrupt bill. In reply to the question be said.

always interesting and instructive, has been interviewed as to whether he had examined and considered the Torrey bankrupt bill. In reply to the question he said:

"Yes; I have examined the measure, and consider it a very much better act than either of those of 1841 or 1857."

When asked as to the reasons of the unpopularity and consequent repeal of the former bankrupt law, he answered:

"A grave objection to the former statutes was the enermous expense attending their administration, because of imperfect machinery, and because the administration was in a large degree intrusted to incompetent and frequently corrupt officials. My observation was confined chiefly to Alabama and to parts of Louisiana, in which, if the assets were not large, nothing worth computing ever reached the creditors; and if large, the dividend was shamelessly reduced by unjustified charges.

"The pending set is a great improvement on the old statutes; first, in simplifying the machinery and reducing the expense; and, second, in providing that controverted questions—most of them—may be prepared for a hearing before a referce, whose sitting may take place at some point near the home of the bankrupt, and, consequently, to a place which will generally be convenient to creditors."

Speaking as to the provisions of the pending bill, the judge said:

"Viewed from a moral standpoint, I doubt the policy of voluntary bankrupty, but the principle is probably so rooted in the public mind that to oppose that would defeat all bankrupt legislation. "A bankrupt system has two aims: To prevent fraudulent preference by securing to all the creditors of equal rights an equal participation in the bankrupt's assets. It treats all unsecured collectable debts, say those of a public nature, as of equal dignity and binding obligation. This is strict honesty. Its second aim is to restore to honest debtors, who are borne down by their obligations, the power and privilege of employing their energies and public nature, as of equal dignity and binding obligation. This is

ing the privilege of voluntary bankruptcy. Honestly exercised, it leads to beneficial economic results. Its facile perversion to abuse is the argument against it.

"The great benefit of a bankrupt law is found in its prevention of fraudulent preferences, no matter in what form they may be attempted. And the demand for such prevention against all business or money corporations is, in my experience and observation, just as imperative as when the attempt is made by natural persons. Incorporated capital is frequently perverted to pernicious uses, and the demand for protection against fraud should meet a hearty response from the lawmaking power. Let business corporations be made subject to involuntary, but not voluntary, bankruptcy."

When his attention was called to the proposition to strike out the involuntary provisions of the bill and leave it simply a voluntary measure, he said in a very carnest manner:

"The enactment of a purely voluntary bill would, in my judgment, make it possible for the perpetration of the grossest frauds. The scandals incident to toth of the laws administered while I was a practitioner arcse chiefly out of the voluntary provisions of the bill; that is to eay, those cases the which proceedings were instituted by creditors resulted in most part in either the defeat of the proceedings or the administration of the estate, while there were many cases in which parties deliberately prepared to go voluntarily into bankruptcy and succeeded in the consummation of their intent in such manner as to engender the belief that the proceedings were fraudulant and that unfair advantage had been obtained by the bankrupt over his creditors."

Continuing, Judge Stone said:

"The best interest of the people would certainly be jeopardized by the enactment of a purely voluntary law."

In summing up the whole subject the Judge ssid:

"Considered as a whole, I regard the bill as a good one, and hope it will be enacted by the present Congress."—New Detta, New Orleans.

COMMERCIAL AND INDUSTRIAL ASSOCIATION OF MONTGOMERY.

At a meeting of the Commercial and Industrial Association proceedings were had as follows:

Present: Vice-President Durr and a large number of the members.

Ex-Governor Ligon introduced, and the association considered and unanimously passed, resolutions, as follows:

"Resolved, That the Commercial and Industrial Association of Montgomery, Ala, hereby resulfirms its indorsement of the Torrey bankrupt bill and calls upon Congress to enact it at the present session, for reasons as follows:

"(1) Congress alone can pass an adequate law upon that subject.

"(2) The passage of laws, necessarily imperfect, by most of the States constitutes a solemn protest against further inaction by Congress.

"(3) Commercial failures of the whole country are steadily on the increase in numbers, and the amount of the liabilities of those who fail is steadily growing larger.

growing larger.

"(4) The bill in question is the product of the experience of the past and of the business sense and legal wisdom of the present, and its enactment is demanded by the honest, unselfish men of the country.

"(5) Under the provisions of that measure all honest poor debtors who can not pay their debts will, upon a surrender of their property, be permitted

to keep their exemptions and receive a discharge. All henest creditors of the same class will receive a pro rate of the estates of their debtors, without nnecessary delay and at small cost. Valid liens will be enforced and fraudulent ones will be canceled. Honest men will be benefited and dishonest ones punished.

"neadved, That copies hereof be sent by the secretary to members of Congress from this State.

THE TORREY BANKRUPTCY BILL NOW PENDING IN CONGRESS—IS INDORSED BY THE INDUSTRIAL AND COMMERCIAL ASSOCIATION—THE REMARKS AND OPINION OF CHIEF JUSTICE STONE—DR. LE GRANDE'S VIEWS—WHAT COLONEL TOMPKINS THINKS.

There was a meeting of the Commercial and Industrial Association, which was attended by the most prominent members. The occasion of the meeting was to consider the Torrey bankruptcy bill now pending in Congress.

In the absence of the president, Vice-President Durr presided.

MERITS OF THE TORREY BILL.

Hon. George W. Stone, for many years the chief justice of the supreme court of Alabama, was called upon by motion to speak upon the subject of bankruptcy legislation, and was greeted with applause. He referred to the presence on the statute books of England of a bankruptcy law which had been there for a great many years, and spoke of the English people as wise and conservative.

and conservative.

In speaking of the Torrey bill he complimented its author and referred to it as a measure as nearly perfect as human industry, ingenuity, and wisdom could devise.

Ex-Governor Ligon introduced and the meeting considered and unanimously passed resolutions reindorsing the Torrey bill and calling upon Congress to pass it.

OPINION OF CHIEF JUSTICE STONE.

OPINION OF CHIEF JUSTICE STONE.

A reporter called upon Judge Stone at the Capitol and found him busily occupied in his room. He kindly consented to be interrupted for a brief interview as to the desirability of bankruptcy legislation by Congress and as to the merits of the Torrey bill.

In reply to an inquiry as to whether he had examined the other bankruptcy bills now pending in Congress, Judge Stone said:

"There have been sent to me all the bankruptcy bills now pending before Congress: after an examination of them I thought that all of them except the Torrey bill were very imperfect and not calculated in any sense to meet the great wants of the country in the matter. None of them approach the Torrey bill either in completeness or as a measure calculated to be beneficial in its provisions."

In further pursuing the subject the eminent juristated that "the referee, who corresponds practically to the register of the old law, would be appointed by the bankruptcy court; but he would not be related to any of the judges and would be liable to removal for cause or because his services were not needed. "The trustee, that is, the person who is to represent the creditors, will be elected and have his bond fixed by them; he will not be paid fees, as under the old law, but will receive a small filing fee and a commission on the amount paid out in dividends to the creditors.

"The clerk of the court will be entitled only to a ten-dollar filing fee upon the institution of proceedings."

Attention was called to the fact that both the method of payment and the amount paid directly tend to secure prompt and inexpensive administration of estates.

When the subject of exemptions was touched upon Judge Stone said:

of estates.

When the subject of exemptions was touched upon Judge Stone said.

"The law recognizes the exemptions as provided by the laws of the several States, so that each bankrupt will be permitted to withhold from his estate such exemptions as are permitted for the protection of his family by the laws of his domicile."

Remarks were made by the judge upon the provisions of the bill concern-

such exemptions as are permitted for the protection of his family by the laws of his domicile."

Remarks were made by the judge upon the provisions of the bill concerning the discharge off the bankrupt, as follows: "A discharge will not be granted to corporations or to dishonest persons. It must be applied for after two and within the next four months after the adjudication. If the applicant was unable to file his application within that time, it may, by permission of the court, be filed within the next six months, but not thereafter. In general terms, a discharge will be granted to such persons as are honest and refused to such as are dishonest. If the discharge proves to have been fraudulently secured it may be set saide upon application made within two years after it was granted."

In making a comparison in brief between the present proposed law and former laws, Judge Stone said: "The present measure is in a truer sense a national enactment than any of its predecessors. For example, the last law contained many provisions relating to the taking of evidence, the validity of lieus, the statute of limitations, and other subjects that are omitted from the present measure, which makes it, in my judgment, a much stronger bill and one which is more likely to remain as a permanent law than if it contained additional subjects which I think are more properly left to State control."

In summing up the subject, the Chief Justice said: "I believe that the passage of the bill by the present Congress would tend very largely to prevent frands in commercial dealings, which are now a reproach upon the country, and that the result of its enactment would be to extend commercial and industrial credit and to benefit every class in the whole country."

VIEWS OF DR. LE GRAND.

VIEWS OF DR. LE GRAND.

Dr. M. P. Le Grand, president of the Montgomery Bank and of the Commercial Fire Insurance Company, was called upon at the bank by a reporter. In reply to inquiries he anid:

"While I have not examined the particular bill in question, I have no donbt to the passage of a just law would redound to the best interests of the whole country. I would most heartily second a movement designed to bring about the adequate punishment of perpetrators of fraud in all of its forms."

Upon the question of the increase or decrease of failures in this country the Doctor said:

"I have seen a table of commercial failures made up by the Treasury Department at Washington from the annual sheets of the mercantile agency of R. G. Dun & Co., and note from these tables that the percentage of commercial failures in this State is rapidly increasing. The table covers thirteen years past. In 1870 there were only 24 failures for the whole State; there were during the same year, all told, 6,485 persons, firms, and corporations engaged in business; the percentage of those who failed to those who were engaged in business was, therefore, 0.44 of 1 per cent. The total liabilities of those who failed was for that year 202,100. The percentage of failures has varied from year to year, with the seeming inclination to increase, until for last year it transpires that there were 258 failures from among the 10,229 persons firms and corporations engaged in business in this State. A computation of the percentage discloses the fact that it is 252 per cent. That is an enormous increase in the percentage. The liabilities of those who failed during the same period has increased from the amount stated above to \$3,396,365.

"The result for the whole country for the same period is that the increase in percentage has been from ninety-five hundredths of 1 per cent to 1.07 per cent, while there has been an enormous increase in the liabilities of those who have failed for the whole country from something over \$96,000,000 to \$189,868,638."

Dr. Le Grand made a comparison of figures for England and this country,

Dr. Le Grand made a comparison of figures for England and this country, as follows:

"An examination of the tendency of failures under the English bankruptcy actindicates not only that they are on the decrease in numbers, but that there is a decrease also in the liabilities of those who have failed. I have examined a comparison of the figures for the years 1888 and 1899 as taken from the United States consular reports from England made to the State Department at Washington, and find that for the years stated the decrease in the number of bankruptcies in England was 464; for this country there was an increase during the same period of 203 cases. In England for that period there was a decrease in the amount of liabilities of those who failed of \$4,060,945, while for the same period in this country there was an increase in liabilities of \$24,954,264. From which it seems to me that the substitution of a wise national law for the many varying State laws would result in the decrease of the failures in this country.

WHAT COLONEL TOMPKINS THINES.

[From the Montgomery (Ala.) Advertiser.]

Col. H. C. Tompkins, one of the foremost members of the Alabama bar, was seen at the court-house in Montgomery, and although engaged, considerately gave his views, as follows:

"In my opinion the business interests of the country demand that there should be a bankrupt law. The great injustice of the laws, which allow preferences to be made by insolvent debtors, has been attracting the attention of the bar association of this State for many years. On two or three different occasions resolutions have been introduced into the association and passed by practically unanimous vote, urging the legislature of the State to enact a law which would declare not only that all instruments executed for the security of a debt should operate for the benefit of all the creditors of a debtor, but that wherever the debtor sold his property in payment of his debts such asle should also operate for the benefit of all the creditors, and should be declared to be a general assignment where it embraced substantially all of his property: but it has been unable to get the legislature of the State to pass such a law."

The subject of the inadequacy of the State laws was disposed of thus:

"The result of the present system is that frequently insolvent or embarrased debtors execute conveyances of their property to relatives who are alleged to be their creditors. As the law recognizes the validity of such a conveyance and only allows it to be set aside on proof that the parties to whom it was made were not creditors of the debtor, and as in the very nature of things the nonexistence a, that fact is very difficult of proof, and can, as a general thing, only be shown 'n cross-examination of the parties interested, the result is frequently that 'asolvent and embarrassed debtors convey property to the members of their own families upon considerations which are wholly simulated."

In relation to the treatment of home and foreign creditors, Colonel Tompkins spoke as follows:

of such instances the parties would pay their recultors, even atter a discharge in bankruptcy, more than they can possibly pay under the present condition of affairs."

Concerning the history of bankrupt legislation, he spoke as follows:

"The great objection to a bankrupt law in this country has grown out of the distrust created by the operation of the former law, the great expense attending the administration of the estates, and the small results received by creditors. Those evils, as well as others, in my opinion, are effectually guarded against by the proposed law."

An inquiry as to the comparative results between the present State laws and the proposed bankruptcy law was answered as follows:

"I think the Torrey bankruptcy bill would enable the assets of insolvents to be sold so as to realize for the creditors a much greater amount than is generally realized by forced sale under attachments, which are usually resorted to by the creditors of embarrassed or insolvent debtors."

"What in your opinion would be the result of the passage of the law upon the frequency of failures? Would it increase them?"

"It think it would decrease them. Many solvent men are now ruined simply by fright among creditors, who would not fail under the Torrey law."

"Would it not result in preventing the hurried action taken by creditors, often precipitating failures?"

"Undoubtedly so, because a man would know that he had nothing to gain by forcing his debtor to the wall, and if he had the confidence of his debtor he would be more apt to be willing to extend time, because he would stand more chance of collecting his debt."

"Will you state why it is that we must look to Congress for the enactment of such a law?"

"Because no State has the power to pass any such law that would discharge a debtor, and of course one of the results that is most to be desired in such a law is the discharge of the debtor. Otherwise, this law would be only for the benefit of the creditor class, and would be unequal in its operations."

In summing up the

A BANKRUPTCY BILL.

[From the Montgomery (Ala.) Advertiser.]

The proceedings of the Commercial and Industrial Association and interviews with prominent citizens concerning national bankruptcy legislation will be found elsewhere in this issue.

Except for the unfortunate experiences under the old law there would not be any question about the desirability of a national law as provided by the Federal Constitution at the time of its adoption; but in the bitterness of the

recollections of those experiences, it may have been forgotten in some quarters that improvements in all things are possible.

All of the constitutions of the older States have been amended and revised; the various legislatures meet frequently to improve laws which have been found to be imperfect. It seems to us that the same course should be pursued with regard to a bankrupt law.

The Torrey bill has been approved by a great number of national, State, and local bodies—more, in fact, than have ever before approved of any commercial measure. From every part of the country there were sent at the last session of Congress petitions from people in every walk of life. The officers and committeemen of the national body having in charge the agitation are men who are well and favorably known; the list not only includes well-to-do people, but honest bankrupts as well.

This measure, according to an almost unanimous verdict, has been framed with a view to promote the greatest good to the greatest number; it is not in any sense a selfish, sectional, or political measure. It is simply and solely a business measure which has been framed in the interest of business men, and its enactment is demanded by the honest, progressive men in all parts of the bulk country.

ocuntry.

An examination of the bill and a consideration of what has been said by the press and in Congress about it leads us to believe that the best interests of the South will be promoted by its enactment, and we therefore call upon the Southern members in Congress to give it their support.

THE NEED OF A BANKRUPT LAW.

The NEED OF A BANKRUPT LAW.

[From the Montgomery (Ala.) Advertiser.]

There is a bill now pending in Congress that is of very great importance to the commercial interests of this country and that ought by all means to pass. That is the forrey bankrupt bill. As it stands the bill represents the carefully weighed opinion of the most competent jurists and merchants of the Union.

The only reason that we are aware of that has been urged against the enactment of a bankruptcy law at this time is the fact that the repeal of the last law has left the insolvency field open to be occupied by the various State legislatures, and most of the States have in consequence established more or less complete systems of insolvent laws. With these, however, there is profound discontent. They have all the variety of a tessalated pavement, and such uncertainty attaches to their administration in the different States that commercial enterprise and credit are seriously crippled.

The dissatisfaction with State laws instead of diminishing is sure to increase, and for a sufficient reason. Every new railroad and every new telegraph line enlarges the area of common commercial interests in the United States. The falling debtor has always been an object of interest to the leading commercial centers, and now with the multiplication of cities and towns and the ramification of trade and industry, a failure in any one State may affect creditors in every State in the Union. When a failure comes there is a general scramble for the goods in sight, some of the local creditors, are left without a dollar to show for property they have partied with in good faith.

With a general bankruptcy law there can be no cause whatever to complain. The creditor's interest is protected; whatever property and effects the insolvent has are fairly and equally divided, and there is no room for fraud or preferences. On the other hand, the debtor himself has the satisfaction of knowing that his estate is honestly applied to meet his obligations in the proportion that it

MOBILE INDORSES THE TORREY BILL—CONGRESS PETITIONED TO PASS IT BY THE TWO CHAMBERS OF TRADE—A DISCUSSION IN THE CHAMBER OF COM-MERCE THAT DISCLOSED SOME POINTS OF THE PENDING MEASURE.

PROCEEDINGS OF THE MOBILE CHAMBER OF COMMERCE. [From the Mobile (Ala.) Register.]

PROCEEDINGS OF THE MOBILE CHAMBER OF COMMERCE.

[From the Mobile (Ala.) Register.]

The board of directors of the Chamber of Commerce held a special meeting to consider the Torrey bankruptcy bill, which will probably be passed by Congress at its present session.

The bill was submitted to the board by the president, Mr. Samuel Brown, accompanied by a brief statement to the effect that it was a measure which had been favorably passed upon by bodies in all of the large cities, except Mobile, and in most of the small places throughout the country. An informal discussion was had and was participated in by Messrs. Jasper S. Knight, T. A. Hamilton, Ferd. Forcheimer, W. G. Little, H. Pillans, John B. Davis, and John E. Michael.

The discussion disclosed the fact that the bill is in every particular radically different from the old law; that the bankruptcy officers will be pald but small amounts for services and in such a manner as to induce them to be prompt in the performance of their duties; that suits in bankruptcy can not be brought except by the concurrence of three creditors, who together have unsecured claims amounting to 5500 or over, the proposed restriction being to prevent the institution of malicious suits; that where all of the creditors of a debtor are less than twelve in number, one creditor can institute such a suit, provided his unsecured claim amounts to such sum; that every defendant so desiring can have a strial by jury as to whether the alleged acts of bankruptcy have, been committed; that creditors will be notified of every step in the proceedings and at all times have an opportunity to be heard in favor of, or in opposition to, any proposed proceeding; that preferences can not be given or received; that valid liens will be upheld and fraudulent ones will be declared void; that claims against bankrupt extates may be proved upon being sworn to and malled to the court; that fraudulent bankrupts, embezzling officers, and dishonest reditors may be panished by fine and imprisonment: that ligation conc

of the country for an honest purpose, and that it ought to be enacted by Congress at the coming session.

ACTION BY THE MOBILE COTTON EXCHANGE

ACTION BY THE MOBILE COTTON EXCHANGE.

The adjourned meeting of the board of directors of the Cotton Exchange convened, with the president, Capt. Charles L. Huger, in the chair. The Torrey bankruptey bill, which was considered at the meeting the day before, was again taken up and the various members expressed their views and the conclusions they had reached after a consideration of the measure. In order to test the sense of the board, resolutions were submitted, seconded, and considered, as follows:

"Resolved, That the Mobile Cotton Exchange hereby indorses the Torrey bankrupt bill, and, in the best interests, as it believes, of those engaged in growing and dealing in cotton, calls upon Congress to enact that measure at the present session.

"Resolved, That the secretary is hereby instructed to send copies of these resolutions to the Senators and Representatives in Congress from this State and request their advocacy of that measure."

The resolutions were considered at length and adopted unanimously. The bodies in Alabama which have taken part in the movement to secure to the country an equitable bankrupt law are as follows: Commercial and Industrial Association of Montgomery, Mobile Chamber of Commerce, and Mobile Cotton Exchange.

The gentlemen who are officers and committeemen of the national organization are as follows: Messrs. Hiram G. Bond, Ensley City; Robert C. Brickell, Charles S. Hasley, Milton Hume, Huntsville; Samuel Brown, J. C. Bush, Orville F. Cawthon, Gaylord B. Clark, Edward L. Russell, Gregory L. Smith, Charles L. Huger, Mobile; Nathaniel H. R. Dawson, Selma; John W. Durr, Milton P. Le Grand, Robert F. Ligon, George W. Stone, and Henry C. Tompkins, Montgomery.

THE TORREY BANKRUPTCY BILL [From the Mobile (Ala.) Register.]

The Cotton Exchange and Chamber of Commerce of this city took favorable action relating to the Torrey bankrupt bill now pending in Congress.

The fact that this bill has been indorsed by commercial and other bodies from one end of the country to the other, and that it has been petitioned for by all classes, is significant in this, that it seems to indicate that the business men of the country can be relied upon to take a hand in legislation relating to commerce.

men of the country can be relied upon to take a hand in legislation relating to commerce.

The word bankrupt has been much abused; it has so often been connected with rascality and has so frequently been used in connection with discredited merchandise that in the popular estimate it signifies either a moral or financial collapse. As used in connection with a national enactment it is designed to have quite another significance.

It is believed by the best minds in the country that the enactment of the Torrey bill will have the effect of diminishing fraud and of exterminating a certain class of fraudulent practices which are now prevalent; that that hankrupt estates will be administered promptly and at small cost; that bankrupt estates will be administered promptly and at small cost; that bankrupt ents will be discharged, and that in all respects it will redound to the best moral and financial condition of the great mass of the people.

In civilized communities there are probate laws for the orderly distribution of the estates of deceased persons. Since over 90 per cent of those who do business in whole or in part on credit sconer or later fail, it seems but reasonable that there should be a commercial probate law for the same purpose; the bill in question is such a law. Equity for all time has provided that where a fund was not sufficient to liquidate all claims of the same class against it it should be ratably divided. The Torrey bill is the embodiment of that principle.

As a general proposition, any improvement in the laws which renders the position of debtors more secure and gives additional safeguards for capital invested promotes the interests of debtors and creditors concerning commercial transactions.

We believe the Torrey bill to be an improvement on existing laws, and there-

we relat transactions.

We believe the Torrey bill to be an improvement on existing laws, and therefore urge upon Congress the necessity of its prompt enactment.

THE BANKRUPTCY BILL. [From the Mobile (Ala.) Register.]

The Torrey bill, to establish a uniform system of bankruptcy, is again before both Houses of Congress.

Various bills having the same object in view have been presented at previous sessions, but none of these have been so universally commended as has the one now pending.

Few bills have been prepared with the same amount of care and thorough inquiry into the requirement of the interests likely to be affected, and the result has been the preparation of a bill as nearly perfect as the wisdom and foresight of the ablest minds of the country could frame.

The Torrey bill is the joint effort of the representatives of the commercial bodies of the United States, assisted by some of the ablest men engaged in financial and commercial pursuits, and it therefore embodies the features which are believed will accomplish all that can be sought in a universal barraptcy law, and assures equal and exact justice to both creditor and debtor.

The bill has received the indorsement of nearly all the commercial bodies of the country, as well as that of a large proportion of those actively engaged in important commercial and financial enterprises.

There are doubtless minor points which may not receive entire approval, but it is to be hoped that Congressional action will not be embarrassed by proposed amendments, and that other bodies contemplating an expression but merits will act on the bill in its entirety.

It is desirable that the bill as it now stands should become a law, and after a fair test of its merits such changes as experience may suggest or changed conditions make necessary can be made hereafter.

The simple purpose of a bankruptcy measure is to secure an equitable distribution among creditors of an insolvent debtor's effects. A bill that will accomplish this with certainty, with the least expense, and with the utmost expedition will prove acceptable to the creditor class.

Whatever will take from the honest but unfortunate debtor the millstone of his past and enable him to face the future with earnest, upright purpose

INSOLVENT DEBTORS—DISCUSSION OF THE NATIONAL BANKRUPT LAW BY THE MOBILE COTTON EXCHANGE—COMMENDATION BY LAWYERS AND BUSINESS MEN.

[From the Mobile (Ala.) Register.]

OPINION OF HON. D. P. BESTOR.

Hon. Daniel P. Bestor, a leading member of the Mobile bar, addressed the coard of directors of the Cotton Exchange, for which he is the counsel, and

In effect said: "We have a State law forbidding the giving of preferences, and yet it has been determined by decisions of the supreme court that a failing debtor may sell goods to favored creditors and in effect accomplish the same result. We have had many examples in this city and State of how this condition of the law may be utilized by fraudulent debtors for the perpetration of wrong.

I should think that all creditors would be interested in the passage of a mational bankruptcy law, with equitable provisions, as wrongdoers would be thereby greatly deterred from perpetrating fraudulent acts, creditors would be insured against a panic among themselves, and in all respects their financial interests would be advanced.

On the other hand, debtors would be benefited in this, that they would be less likely to be forced into insolvancy by frightened creditors, and in the event of financial missiortune would, if honest, be able to secure a release, and be thereby enabled to renew, to the best of their ability, the battle incident to financial success in behalf of their dependents and for the good of the community in which they live.

Incidents of wrongdoing under the old law were cited, and the belief expressed that the provisions of the proposed new law were such as to prevent a repetition of them.

In speaking of the Torrey bankruptcy bill, he said that it was simple in its construction, teres in its expressions, and that he believed that it could be readily and inexpensively enforced.

Attention was called to the fact that Chief Justice Stone, of this State, was an earnest advocate of the passage of the bill, and that he had recently fiell early perfect as human ingenuity, industry, and wisdom could devise.

VIEWS OF CAPT. CHARLES L. HUGBE.

Capt. Charles L. Huger, president of the Mobile Cotton Exchange, was asked for an expression of his views concerning the desirability of a national bank-

VIEWS OF CAPT. CEARLES L. HUGDE.

Capt. Charles L. Huger, president of the Mobile Cotton Exchange, was asked for an expression of his views concerning the desirability of a national bank-ruptcy enactment, and in reply said: "I believe that the passage and administration of the Torrey bill will tend to lessen the perpetration of fraud and promote business morality.

"If it were proposed to give us back the old law I should object; if there was a prospect, or possibility even, of having the measure administered as the last one was I should do all in my power to prevent its enactment; but the facts are that the proposed new law is one that has been very carefully drafted and been improved upon purmant to the suggestions of large numbers of commercial, industrial, and other bodies in the country until, according to the opinion of everybody, so far as I know, it is an almost, if not absolutely, perfect measure."

With reference to views of other members of the exchange, he remarked that he had heard some apprehension expressed as to whether the passage of the bill would not interfere with established business customs, but expressed the opinion that such would not be the case; but, on the contrary, the bill was designed and in terms provided for the maintenance of legitimate transactions, and the cancellation of fraudulent ones, and that he did not believe that any honest business mun had anything to fear from the enactment of the till, but that, on the other hand, he would find it of value to him in the fight against would-be wrongdeers.

Managers of National Home for Disabled Volunteer Soldiers.

SPEECH

HON. RICHARD W. BLUE.

OF KANSAS.

IN THE HOUSE OF REPRESENTATIVES.

Thursday, April 16, 1896.

The House having under consideration the following resolution, reported from the Committee on Military Affairs—
"Resolved, etc., That William B. Franklin, of Connecticut: Thomas J. Henderson, of Illinois; George L. Beal, of Maine, and George W. Steele, of Indiana, be, and the same hereby are, appointed as members of the Board of Managers of the National Home for Disabled Volunteer Soldiers of the United States

Managers of the National Rome for Lindson.

States.

William B. Franklin to succeed himself, his term of service expiring April 21, 1896. Thomas J. Henderson to succeed John C. Black, his term of service expiring April 21, 1896. George L. Beal to succeed Francis Fessenden, his term of service expiring April 21, 1896. George W. Steels to succeed himself, his term of service expiring April 21, 1896. All to take effect April 21, 1896."—

Mr. BLUE said:

Mr. Speaker: In the short time left me it is impossible to attempt to reply to many things which have been said here. I simply say here and now that there has been no denial on this floor of the charges of incompetency and mismanagement made by me in the opening of this discussion. The charges of gross mismanagement and gross incompetency of the Board of Managers of the Soldiers' Homes of the nation as shown by the Inspector-General's report stand wholly unanswered.

That this man, W. B. Franklin, is the controlling spirit of this Board of Managers there can be no longer any serious question; that he has a general treasurer who was formerly a clerk in his office and afterwards assistant inspector-general, whose appointment was inspired by Franklin and who controls and manipulates the funds of these various Homes is beyond question or cavil. The truth of it is that the men who are nominally clerks in the general treasurer's office are but clerks to W. B. Franklin. The whole thus incess is a close corporation, governed, dictated, and controlled by this man Franklin. With the exception of, perhaps, W. J. Sewell and M. T. McMahon, the other members of the Board are largely mere figureheads, who give some attention to their local Homes, but have little or no knowledge of the general business of this luxuriant octopus and soulless corporation which controls the Soldiers' Homes of the nation.

It has not been denied here that regulations of the Treasury as to redeposit of unexpended balances have not been compilied with

are not made in duplicate and are not fully presented for inspec-tion; that in instances these vouchers are six months absent. It has not been denied that this man Franklin keeps in his hands has not been denied that this man Franklin keeps in his hands certain funds and holds certain balances which are not deposited with Government depositories. It has not been questioned that the general laws relating to deposit, advances, and withdrawal of public funds have not been complied with. It has not been denied that the records have not been clearly kept and that the statement of accounts is involved and confused. It is conceded that in the shop accounts balances have been forced and that the title of lands and other property pertaining to these Homes is not held in the United States. It is conceded that makeshifts to procure more comfortable sleeping quarters for the old soldiers have been made necessary; that the system of purchasing supplies is not uniform or under general management. It is also conceded that the business methods as practiced by the Board are exceedingly impracticable. It has not been denied that public and private property have been indiscriminately mingled together in these Homes. It is conceded that the surgeon at the Eastern

vate property have been indiscriminately mingled together in these Homes. It is conceded that the surgeon at the Eastern Branch is not qualified by law, and to avoid the requirements of this law he is carried on the rolls as assistant surgeon.

It is admitted that the post fund, at one of the Homes at least, has been used in violation of law to pay men hired by civil authorities for patrol duty in carrying out the civil law and for lawyers' fees to enforce the same.

It is practically conceded that extravagant prices have been paid by the Board of Managers for flags; that stock in the knitting shop has not been accounted for. It can not be denied that under contract with the citizens of the vicinity they were to furnish gas to the Marion Branch, and yet, in violation of the terms and agreement, the Board of Managers have paid rent for gas land to aid in ment, the Board of Managers have paid rent for gas land to aid in supplying that Home. It is practically conceded that the public funds have been transferred to private banks; that, in violation of the policy of the Government, property belonging to the Government has been insured in companies in which W. B. Franklin was interested. It is conceded that at least one farm belonging to the Thirted States have been enoughly be still the public of the conceded that at least one farm belonging was interested. It is conceded that at least one farm belonging to the United States has been occupied by a citizen without rent. It is admitted that a brewing association which furnishes beer to the Western Branch has built and donated a fountain to that Branch; that the governor of said Branch, A. J. Smith, is the custodian of the Keeley fund and the president of the Keeley League; that land has been leased without the authority of law; that permanent improvements have been charged to post funds, and have thereby escaped the scrutiny of inspection; that the offects of deceased members of the Home have in certain instances never been turned over to the treasurer. Many other irregularities, as shown by the Inspector-General's report, are unquestioned and undenied.

Large clothing balances, for some unaccountable reason, are

larities, as shown by the Inspector-General's report, are unquestioned and undenied.

Large clothing balances, for some unaccountable reason, are kept on hand. These things are not exparte testimony. They are a part of the records belonging to this Soldiers' Home management, and can be found full and complete in House Document 288.

It is also conceded that this Board of Managers collects from these poor, indigent, feeble old men in these Homes—the involuntary wards of the nation, who seek the shelter that the Government has furnished by reason of adversity and want—over \$400,000 per annum under the guise of a post fund. This post fund is held by this soulless corporation and expended at its own sweet will without rendering any account to the Government of the United States or to any other person. It is practically under the control of this man Franklin and the vultures of speculation and rapine that cluster about him.

In addition to this, the Keeley establishment, which infests every Home by and with the consent of this man Franklin and other members of the Board, is run for the profit there is in it. No account of its collections and expenditures is made to the management of these Homes or to anyone else representing the Government of the United States. No one knows to what extent these feeble old men are robbed by the extortions of this vile and fraudulent institution. From what information I can gather, the soldiers of the Western Branch have had filched from them by the Keeley institute in the neighborhood of \$60,000 since its establishment there. The country is given the humiliating and despicable spectacle of a beer hall upon one side of these Homes manufacturing drunkards and the Keeley institute on the other side of the same pretending to cure them.

It is not denied, nor can it be successfully denied, that from 15

facturing drunkards and the Keeley Institute on the other side of the same pretending to cure them.

It is not denied, nor can it be successfully denied, that from 15 to 25 soldiers of the Regular Army were maintained in the West-ern Branch by the authority of its governor, A. J. Smith, taking the Keeley cure, while feeble, impoverished, wretched old com-rades, half clothed, were turned from the gates of that Home in

largely mere figureheads, who give some attention to their local Homes, but have little or no knowledge of the general business of this luxuriant octopus and soulless corporation which controls the Soldiers' Homes of the nation.

It has not been denied here that regulations of the Treasury as to redeposit of unexpended balances have not been complied with.

It has not been questioned that vouchers relating to the post fund

by the sums collected from these soldiers who were maintained at by the sums conected from these soldiers who were mainfained at Uncle Sam's expense while taking the Keeley cure. Was that sum filched from the Government for the profit of that Keeley institution? It is time that the government of these Homes should look into the management of this Keeley arrangement and ascertain something about the amounts that are extorted from the inmates of the Homes and turned into the Treasury of this poets. lative institution for the profit of the owners and managers of the

I charge that this man A. J. Smith, in reporting relapses in the Keeley cure at from 11 to 13 per cent, knowingly, untruthfully, and perfidiously misstates the facts; and from the best evidence and perminously initiates the facts; and from the best evidence I can get in regard to these relapses they are not less than 60 nor over 90 per cent. That this man A. J. Smith has in several instances made the taking of the Keeley cure a prerequisite to admission to the Leavenworth Home I have no doubt. That he has driven men from that Home because of their refusal to take

the cure is beyond question.

I am informed and believe that in a speech he made at the Hampton Home he used substantially the following language when speaking of inmates of the Soldiers' Homes:

If I were Governor Woodfin I would do as I am doing; they would take the feeley or take the gate, and I have those who will back me up.

I am satisfied that a somewhat similar condition to that in the Leavenworth Home exists in the Home at Togus, Me.

A full, fair investigation of these Homes will show more or le

irregularities, speculations, and frauds in every one of them. I do not charge that the governors of all the other Homes are similar to those in the Homes at Leavenworth, Kans., and Togus, Me., but that there is in every one of them more or less speculation and mismanagement.

The records will show that in the Soldiers' Home at Leaven-

worth the discharges of the comrades are largely in excess of the number in the other Homes of the nation in proportion to the number of inmates. I am informed that the following is a comparative list of discharges of all the Homes:

	1904.	1800.	1900.	1891.
Western Branch Marion Branch Southern Branch Eastern Branch Northwestern Branch Central Branch	265 202	580 272 260 468 247 384	568 242 307 470 454 476	259 140 168 210 185 285

By this list it will be seen that at the Western Branch, with a membership of only about 2,400, there were 546 more discharged than there were at the Central Branch, with a membership of 5,500; and yet we are told that this is a model Home.

membership of only about 2,400, there were 546 more discharged than there were at the Central Branch, with a membership of 5,500; and yet we are told that this is a model Home.

The gentleman from Ohio [Mr. Grosvence] was somewhat infelicitous in his reference to General Patrick as an example of the impartiality of General Franklin. Unfortunately, that beautiful little story was spoiled by the family relationship of General Patrick to W. B. Franklin. I am informed and believe that General Patrick was a brother-in-law of Franklin, and that two sons of this same Patrick are now foisted on the Soldiers' Home management on comfortable salaries and in soft places. It seems also exceedingly unfortunate and illogical that gentlemen like the gentleman from Ohio [Mr. Grosvenor], and General Curtes, of New York, and Colonel Henderson, of Iowa, and General Steele, of Indiana, can find no better answer to these plain and unquestioned charges than a reference to the military career of W. B. Franklin. No one has questioned that, so far as I recollect; no one seeking to have the irregularities of this Board corrected or the inmates of the Soldiers' Home relieved from oppression has referred in any way to the military career of W. B. Franklin. Why was it dragged into this contest with humid and vaporing sentimentality to answer in the place of argument and defense? Benedict Arnold had a brilliant record for courage and military? Benedict Arnold had a brilliant record for courage and military? Benedict Arnold had a brilliant record for courage and military land courageous military leader; but it has never been regarded as logical or patriotic to hold up the early records of these men in defense of their crimes against liberty and humanity.

The gentleman from Ohio [Mr. Grosvenor], in the intensity of his feeling, so far forgot himself as to use unworthy and undestained from the use of any language that could be construed as a charge against the military history or record of W. B. Franklin; but I now serve notice upon the gentle

The gentleman from Indiana [Mr. STRELE] has laid before this cause some documents signed by business men of Leavenworth City and has read some telegrams from a few others prominent in public affairs in Kansas. Without disparagement to any of the gentlemen who signed these documents and telegrams, it is pertinent to say here and now that they are business men who transact more or less business directly or indirectly with the governor of the Leavenworth Home or parties connected therewith. Gentlemen here all understand how easy it is to procure signatures to such documents and with what facility petitions are secured upon almost any subject. Some of the gentlemen who signed these papers doubtless never were inside the precincts of the Soldiers' Home and have no knowledge of its management or control. Of the Keeleyites who signed the statements in regard to the management of this Home, it need only be said that they are almost without exception reformed drunkards. In fact, it seems that under the management of these Homes throughout the country the reformed drunkard is preferred to a man of sobriety and character by the governors who are in authority there. This is especially so of the Western Branch, located at Leavenworth, Kans. The governor of this Home, himself having for many years been in charge of that Home while a confirmed drunkard the second of the and, has been kept in power knowingly and purposely by the Board of Managers after his pretended reformation. It must by this time be apparent to this House that the gentleman from Indiana [Mr. Steele] would not be convinced of the depravity and drunkenness of this man A. J. Smith if one was raised from the dead to testify against him.

to testify against him.

I am informed and believe that one chaplain has resigned his place and refused to remain at the Home on account of Smith's drunkenness and brutality. The Catholic chaplain now there has, I understand, been there but a short time and is probably not familiar with the workings of the Home. The Protestant chaplain who testifies about the phenomenal management of the Home was, I am informed, a tippler himself, and whatever may be his character now, he has not always had a very clear discrimination of the line which divides public from private property in the the line which divides public from private property in the

What must be the character of these Christian ministers who administer to the spiritual wants of the comrades in that Home while a beer hall, run under their immediate observation, realizes a profit of over \$13,000 per annum, and a Keeley league plies its vocation unceasingly upon the same ground? How exalted, holy, and upright are the lives of these two ministers I leave this House

and the country to determine.

A statement in regard to affairs of the Home at Dayton, Ohio, has recently come into my possession. How much truth there may be in it I will leave the Board of Managers and the gentleman from Ohio [Mr. Grosvenor] to determine. It is substantially as follows:

"You are right in saying that Mr. Franklin is the Board of Managers. His word is law in everything pertaining to the man-agement of the National Homes. Now that you have the start made, do not yield an inch until you have had a Congressional committee appointed, and of good men, to investigate the management of all the National Homes. You will be surprised when you know of the abuses that are practiced in all the Homes. In you know of the abuses that are practiced in all the Homes. In the first place, fight day and night for the defeat of Franklin. That part of this Home known as the depot (the tailoring department and stocking shop) is under control of an old lady, Mrs. Miller, who has been here since 1868. A recent examination of her accounts shows a deficiency of over \$52,000 which can not be (or has not been) accounted for. Then there is an appropriation of some \$23,000 for policing the grounds. There are on this force about eight or nine paid men and one two-horse team. The work is done by soldiers under sentence of Governor Thomas's court. The private secretary of the governor, Mr. Patrick, is carried on the pay rolls as farm superintendent. I don't think he could tell which end of an onion to put in the ground. Mr. Patrick's wife is on the payrolls at \$75 per month as milk inspector. A daughter of Governor Thomas is on the pay rolls as an arranger of music

of Governor Thomas is on the pay rolls as an arranger of music for the Home band.

"Now, all the moneys paid to these people is illegal. The General Government expects the governor to pay his secretary out of his own salary. Thomas has been here since 1868, and has drawn many thousands of dollars from the Treasury. There is a camp inspector at a salary of \$125 per month who is one of Thomas's pets. Any old soldier can do his work for \$15 per month. The inspector has failed to find the maggots in the meat blocks in the kitchen, or if he did see them he never reported it. There is nearly completed an amusementhall costing \$18,000. That amount of money had better have been expended for new bedding. The so-called mattresses are made in a factory owned by General Franklin. A mattress not 1 inch in thickness and one coarse blanket is our under-bed, with a sheet and two blankets for covering.

"The hospital is a den of corruption. The soldiers who have positions there are nearly all morphine or whisky drunkards. The hospital steward is an ex-convict and is a bad drunkard, but he knows too much and they are afraid of him. The superintendent of the beer hall is also an ex-convict, so you see they are not nice men. The majority of the soldier clerks are drunkards. I do not know a strictly temperate man among them. Push your investi-gation. The tailoring that is taken outside costs 200 per cent more to make than the same kind of work costs in Dayton.

"When the Board of Managers are here they advertise a day to hear complaints, but there is always a number of the Home offi-cers present, and the men are afraid to tell their wrongs. And a man who makes complaint is either discharged or transferred very

soon after the Board leaves.
"General Grosvenor, of Ohio, would be a good man to have

"General Grosvenor, of Ohio, would be a good man to have on your searching committee,"

I do not vouch for the correctness of the above statements in every particular. I am informed that a man by the name of Patrick is in office in the Dayton Home. As to the character of his employment I am not fully advised. It will be an easy matter, however, for the Board of Managers to determine how near the truth this statement comes. I have one suggestion to make to them as a pointer to assist them in tracing the shortage in the shop account. If I have figured correctly, the following statement gathered from pages 45, 46, and 59 of the Report of the Board of Managers, National Home for Disabled Volunteer Soldiers, for the fiscal year ended June 30, 1895, will show the condition of the tailor-shop account of the Dayton Home to be as follows:

*Taly 1.1894:

July 1, 1894: Stock on he Received .	Abd	\$72,781.77 96,628.65
Total Cost of mate	rial used:	168, 360. 42
17,479 blouses \$27,931.44 6,877 dress coate 19,061.46 501 great coats 1,208.79 23,012 trousers 25,318.31 17,380 vests 18,354.49		
July 30, 1895. July 30, 1895.	Balance	70,757.25 21,082.96
Apparent	deficiency	49, 674. 29

Will the Board of Managers investigate this account and tell Congress and the country what is the matter?

I desire at this time to further state that I am informed and believe that all the steam boilers of the different National Homes are insured by W. B. Franklin in the Hartford Steam Boiler Inspection and Insurance Company, of which company Franklin is an officer. I mention these matters as subjects of investigation for the Board of Managers, and to each and all of them. It has been stated on this floor that the charges made against A. J. Smith have been investigated before. I have already stated, and I reiterate it, that the charge of drunkenness in February last made against A. J. Smith has not been before investigated; neither has the charge of turning old soldiers from the Home while regular soldiers were being treated in the Keeley institute there; neither have the charges of incompetency and negligence, as shown by the inspector-general's report.

I have stated, and I reiterate that statement, that any investigations made at the Leavenworth Home by this Board of Managers, or any one of them, or by its pliant tool, W. W. Averill, was a roaring farce. I further state that any investigation of this Leavenworth Home made while this man A. J. Smith is left in command there will be a fraud and a farce. And I state here and now that I am informed and believe that W. W. Averill was sent to that Home to make an investigation under the direction of and with instructions from this man W. B. Franklin to examine only certain witnesses; and that the said W. W. Averill examined only such witnesses; and that the said W. W. Averill examined only such witnesses as he was instructed by W. B. Franklin to interrogate; that the said W. W. Averill went to said institution with his whitewash brush and his paint already mixed to adorn and paint over this man A. J. Smith at the command and under the directions of the president of the Board of Managers of the Soldiers' Homes of the nation—W. B. Franklin. That this under the directions of the president of the Board of Managers of the Soldiers' Homes of the nation—W. B. Franklin. That this instrument of General Franklin followed implicitly the instruc-

instrument of General Franklin followed implicitly the instructions and directions of his master, I have no doubt.

Mr. Speaker, there is one other charge made against the management of the Leavenworth Home, and that is that the governor's secretary, E. B. Wheeler, is a United States commissioner, performing the duties of that office at the Home. It is charged that this man Wheeler is the servile instrument of A. J. Smith, issuing processes not only to bring offenders before him, but for the purpose of returning discharged members of the Home for coercion and oppression by the brutal governor thereof. It is alleged that he has not only been guilty of this perversion of the law, but that he is a miniature Jeffrey, and is using the law as an instrument of oppression for the purpose of carrying out the wishes and desires

of the governor of that Home. It is also alleged and charged that he (Wheeler) wrote and caused to be published a libelous article concerning Jesse George, an attorney, who was seeking to protect the interests of the inmates of the Soldiers' Home at Leavenworth, and that he was compelled, under the peril of prosecution, to publish a retraction. The following is a copy of said

NATIONAL MILITARY HOME,

Leavenworth County, Kans., January 11, 1896.

Sir: I have your letter of the 18th instant, and desire to say that I regret the unfortunate use of the word "disreputable" in connection with your name, in a letter recently addressed by me to the Topeka Capital.

I certainly had no reason nor intent to reflect upon your reputation, and desire to make whatever reparation is just.

I have this day addressed a letter to the Topeka Capital explanatory of this matter.

matter.

Colonel Smith had no knowledge whatever of the letter written by me, and is in no wise responsible for this reflection upon your character.

Very respectfully,

Mr JESSE GEORGE Leavenworth Kans.

E. B. WHEELER.

It has been charged that A. J. Smith inspired this libelous article of his servile secretary. The surroundings and circumstances are

of his service secretary. The surroundings and carculastances are significant.

No effort has been made here to deny or refute the charges against this man Wheeler and his connection with A. J. Smith, the governor of the Leavenworth Soldiers' Home. That inmates of this Home have been brutally treated by the authorities there and deprived of their liberty can not be questioned. The records of the court already show that some comrades at least have been taken from the custody of this man Smith by proceedings in habeas

I have in my possession also records showing that one inmate of the Home at Leavenworth is prosecuting an action against this same man A. J. Smith for \$15,000 damages for compelling him to take the Keeley cure three times. I have further evidence going to prove that this brutal governor, after being sued for compelling this man to endure the Keeley cure three times, sought through the second and every second of the plaintiff in the action to procure this man to endure the Keeley cure three times, sought through coercion and oppression of the plaintiff in the action to procure from him a statement adverse to his interest and in favor of the dismissal of the action. Failing in this, this same defendant, A. J. Smith, has procured a removal of the case to the Federal courts on the ground that he is a citizen of the State of New York while the plaintiff is a citizen of the State of Kansas.

the plaintiff is a citizen of the State of Kansas.

I have also additional testimony showing that when Senator Plumb six years ago sought to correct the abuses of this Home this crafty and disreputable governor used his influence to procure a gathering of some of the inmates of the Home in a post meeting for the purpose of denouncing Senator Plumb and approving the course of the managers of the Home.

If I am correctly informed he is even now using his power and influence for the purpose of obliterating and destroying testimony going to prove his evil conduct and his unfitness for the place he has so long disgraced and dishonored.

Mr. Speaker. I desire at this point to emphasize and restate to

Mr. Speaker, I desire at this point to emphasize and restate to this House and the country what my colleague from Missouri [Mr. Tracey] has so ably presented upon the cost of these Homes.

He says:

I find, in examining the reports of the Board with reference to the cost of maintenance, some remarkable facts. I call attention to the fact that the efficiency of the management must of necessity have a very close connection with the cost of maintenance. Now, in turning to the record, I find that deneral Franklin was elected in 1880. In that year, according to the report, the cost of maintenance per capits in the Homes was \$118.23. From that time on until 1892 the cost increased. This was under the management of General Franklin. It increased in 1881 to \$132; dropped a little in 1892 to \$125; in 1885 to \$137; dropped a little again in 1884 to \$132; in 1885 to \$138; in 1886, \$125; in 1887, \$138; in 1886, \$125; in 1887, \$138; in 1889, \$144; in 1899, \$144; in 1899, \$144; in 1891, \$139, and in 1892, \$142.

This rapid increase in the cost of maintenance called the attention of Congress to the fact that money was being expended extravagantly in the management of the Homes. The Fifty-second Congress took no action, but in the Fifty-third Congress it was provided that an additional inspection of the accounts of the Homes should take place, under the authority of the War Department. Now I call the attention of the House to the rapid decrease in the cost of maintenance that has occurred since the War Department took a hand in the additing and the examining of the accounts of the Homes.

In 1882, as I said, the cost of the maintenance was \$143.75. In 1883 it was \$140.95. That small decrease occurred before the inspection by the War Department took place; but in the succeeding year, in 1894, there was an examination of the accounts by the War Department, and the cost of maintenance was reduced to \$127.45. In 1895, under the operation of the same system of inspection, the cost of maintenance in the National Homes has been reduced to \$12.50. Here, then, we have, from 1890 to 1892, a constant going up hill under the administration of the Board over which General Franklin presided all this time, while within three y

This is the showing made by this great, good, and efficient man Franklin. On this record he seeks indorsement and continuance

in power.
If this Committee on Military Affairs was so anxious to make a proper report, why did the gentleman from New York (General Curris) suppress the letter of Governor Anthony? Why has that gentleman been wandering around the House electioneering this morning? If he had been as solicitous for the welfare of the old soldier as he was to have capital punishment abolished, cheating the law of its deserving victims, he would have looked into the matter and presented the letter to the Committee on Military Affairs for examination. If I am correctly informed he suppressed it. That has been the method of W. B. Franklin's friends here on

If the position is to be taken here that we must not elect some If the position is to be taken here that we must not elect someone else in W. B. Franklin's place—if the election of anybody in his
place is to be regarded as a disparagement of him—we ought so to
understand it. He is not in this place at \$4,000 a year for his
health. He has been there sixteen years. As the late Senator
Plumb said, it is time there should be new blood in this Board.
And it comes with bad grace that he and his friends should be
insisting here upon his reelection at the expiration of sixteen years,
asking that he should be granted a lease of power for six years
more, and talking about "investigations" at the same time.

The gentleman from New York [Mr. Ray] (he always reminds
me of a turkey cock when he stands in his place to speak) speaks
of this matter as though it were an asinine proceeding for us to

me of a turkey cock when he stands in his place to speak) speaks of this matter as though it were an asinine proceeding for us to come in here with our propositions supported by affidavits, and suggests that we ought to have gone before the Board of Managers. The gentleman from Iowa [Mr. Hepburn] has well said that he would be an ass who would file a complaint before a court to try itself. Every investigation that has been attempted by this Board of Managers has been a stupendous farce, and every man who has had any experience with it knows the fact. And I challenge the attention of the gentleman from New York, General Curtis, to the expression of a near friend of W. B. Franklin—that Colonel Smith was held in place by some mysterious influence which held in bondage General Franklin. Will the gentleman from New York, General Curtis, state what that is? Will General Franklin's friends state what it is?

Mr. CURTIS of New York. I ask the gentleman whether he referred to me when he spoke just now of "some mysterious influence"?

Mr. BLUE. I asked you to state what it was. Mr. CURTIS of New York. There is no such influence; there has been none; there is nothing on which that statement could be

Mr. BLUE. Governor Anthony says that a near friend of General Franklin says there is such an influence, and it is a matter of common report in that community.

Mr. Speaker, in conclusion I desire to say that it is an easy

matter for gentlemen to plead the cause of the wealthy and titled here, but who shall defend the weak and helpless inmates of the Soldiers' Homes in their poverty and distress? The president of the Board of Managers is a graduate of the West Point Military Academy and a titled and wealthy aristocrat. Other members of said Board, without exception, I believe, are ex-army officers of high rank. So far as I am informed, no private soldier has ever en given a position on this autocratic Board or permitted to share in its counsels.

The inspector-general selected by this Board of Managers, W. W. Averill, is a graduate of the United States Military Academy and a retired army officer. The treasurer of the Pacific Branch Home, Capt. T. K. Upham, is a retired army officer. The adjutant of the Western Branch, Moses Harris, is also a retired army officer. Thus it is that the management is hedged about by rank, caste, and autocratic influence.

No member of either branch of Congress should be permitted to No member of either branch of Congress should be permitted to hold a place on this Board. In the past the members of this Board have formed a mutual admiration society and with unblushing effrontery have sought to thwart Congress in enacting wholesome laws for the restraint of this Board of Managers. Even now this influence is seeking to ingraft upon an appropriation bill passed by this House, and now in the Senate, an amendment broadening the power of this Board of Managers and relieving it to some extent of the accountability for its conduct.

I challenge the attention of this House and the country to the conduct of the Board of Managers of the Soldiers' Homes, and I appeal to this House and the patriotic people of this nation to stand by the poor, impoverished, and feeble old comrades who inhabit the Homes made cold, inhospitable, and uncomfortable by the brutal and outrageous treatment of the men who control and govern them. How long are these old comrades to be made merchandise for the beer hall and the Keeley League? How long are they to be robbed of their substance by these vile institutions under the shadow of the flag they sought to preserve and run under the protection of the Board of Managers of the Soldiers'

Homes?

The enlightened, courageous, and patriotic sentiment of the plain people of this nation when once aroused will drive the oppressors of these men from power and compel the representatives of the people to put in their places humane and just men.

So long as God gives me strength and the people of Kansas return me to my place in this House, I propose to pursue the oppressors of my comrades until the guilty are brought to justice and the wrongs of the defenders of the nation are righted.

Pensions.

REMARKS

HON. JOHN E. MCCALL,

OF TENNESSEE.

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, April 28, 1896,

On the bill (H. R. 8271) relating to pensions

Mr. McCALL of Tennessee said:

Mr. McCall of Tennessee said:

Mr. Speaker: For many years subsequent to the war of the rebellion there was a persistent and continued opposition to pensioning the Union soldier. Happily for the honor of the country, as the years rolled by and we became further removed from the bitterness and scars engendered by the war, this opposition grew beautifully less until all parties concede that the principle of pensioning the defenders of the country is a just and proper one.

The custom of pensions had its origin long years before this last experiment at self-government was dreamed of. A beautiful custom it is partially somewhat of the dectrine of reciprocity.

tom it is, partaking somewhat of the doctrine of reciprocity.

In the hours of darkest peril and direct distress a Government must of necessity call upon its citizens to rally to its defense, must of necessity call upon its citizens to rally to its defense, whether the fee be from without or within. In responding to such a call the citizens lay down their peaceful avocations, bid adieu to home and loved ones, and, becoming soldiers, offer their service, their health, their lives, in defense of their country. A citizen who has passed the heyday of life is not desirable for a soldier, nor is he who is disabled in body or mind. The Government demands the service of the young, vigorous man. Thus it is that the very flower of the country is required to constitute our Army and to defend our flag.

and to defend our flag.

This requirement by the Government of the very best service of its hardiest and strongest citizens, exposed to all the hardships and dangers of war, must in the nature of things carry with it an implied moral obligation on the part of the Government, when the war clouds shall have rolled away and the country again is peaceful and prosperous, that it will aid the soldier who offered his young life, his robust health, his all for its defense whenever that soldier or those dependent upon him shall stand in any need of such assistance

of such assistance.

In my opinion, the government that refuses to provide for its disabled and dependent defenders, whether such disability accrued while in line of duty or is the result of ill health or accident subsequent to the service, or if it is alone attributable to old age, is unworthy a place upon the map of the world.

Mr. Speaker, having stated that all men agree that the principle of the Government parsioning its soldiers was correct, it remains

of the Government pensioning its soldiers was correct, it remains to discuss what law will afford the best system of pensions and what character of administration will best promote the attainment of the object sought.

It is very clear to my mind that either our present pension laws are fatally defective or the present administration of them is vicious. The former proposition I do not believe to be true. While, no doubt, some defects exist in the present pension laws, yet they are sufficient to afford relief to every worthy claimant upon the bounty of the Government if fairly and justly construed and administered.

I do not agree with the gentleman from New York [Mr. Mc-CLELLAN in his statement made on last Thursday that the Pension Bureau is now "admirably administered." If that were true, then there would be no necessity for passing the pending bill. If by "admirably administered" he means that it is just to the old soldier or right in principle to construe the law against him in every possible case; that it is right to consider every applicant for a pension as wholly unworthy of belief in his statements; that it is right to pursue every applicant with an army of detectives as large as the regular detective force of the Department, augmented by almost every postmaster in the land, then I agree with him.
If by "admirably administered" he means that it is right to communicate with such of the applicant's neighbors as are known to the Department to oppose the applicant in his efforts to obtain a pension for such history of the applicant covering his entire life as it suits the informer to render; if it is right to conceal from the applicant this information and its cowardly author, that he might meet the statements and deny diagrave or available than if it is applicant this information and its cowardly author, that he might meet the statements and deny, disprove, or explain them; if it is right to decide his claim adversely on this ex parte evidence, that has not enough truthfulness on its face to permit it to see the light of day, then I agree with him. In short, this is an "admirable" administration of the Pension Department if it be admirable to throw every possible obstacle in the way of the applicant's successful prosecution of his claim, and with the patience of Job wade through the many thousand pensions greated to discussed. through the many thousand pensions granted to dig up some questionable ground upon which to discon'inue some old soldier's pension or that of his widow and children. It depends largely from what standpoint one views the present administration of the pension law as to whether one concludes that it is admirable or contemptible.

In my judgment it is not the laws as they are written that produce the trouble. It is the construction and administration of

Mr. Speaker, the enactment of the pending bill is necessary in order to straighten out the tangled web into which those who now administer the pension laws have woven them in their endeavor to disallow every application possible and to discontinue every pension where there was a shadow of excuse for it—for the purpose, as I allege, of preventing the roll of pensioners from increasing—and as a result of that purpose the roll shows a net increase of only 980 for the fiscal year ended June 30, 1895, although there were 142,540 original applications passed upon.

Mr. Speaker, section 1 of the pending bill is as follows:

That no person otherwise entitled to a pension by virtue of any law of the United States shall be disqualified from receiving the same by reason of any prior service in the Confederate army or navy during the war of the rebellion, nor shall the widow, children, or dependent relatives of such person be deprived of a right to pension by reason of such service; Provided, That no pension shall be granted by virtue of this section for disability contracted or incurred while alding or abetting the late rebellion against the authority of the United States.

In my humble judgment there is no necessity for enacting that section into law, except the unnatural and strained construction placed upon the act of June 27, 1890, by the present Commissioner, and this section tells him in terms so plain that a man, though a fool, can not err in his understanding of what it means and what the Congress and the country desire in regard to the class of soldiers therein referred to.

I have said that this section is necessary because of the unnetural construction by the Commissioner of the act of June 27, 1890. What are the provisions of that act? For this argument I

need only quote parts of sections 2 and 8.

Section 2 provides-

Section 2 provides—
That all persons who served ninety days or more in the military or naval service of the United States during the late civil war of the rebellion and who have been honorably discharged therefrom, and who are now or may hereafter be suffering from mental or physical disability of a permanent character, not the result of their own vicious habits, which incapacitates them from the performance of mannal labor in such a degree as to render them unable to carn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of invalid pensioners of the United States, and be entitled to receive a pension not exceeding \$12 per month and not less than \$6 per month, proportioned to the degree of inability to earn a support, and such pension child commence from the date of the filing of the application in the Pension Office, after the passage of this art, upon proof that the disability then existed, and shall continue during the existence of the same.

Section 3 provides for the widow or minor children under 16 years of age of the soldier granted a pension in section 3 already

It will be noted that section 2 provides for all persons who served ninety days or more in the military or navel service of the United States. This language is direct and emphatic, and under this act Republican Commissioners of Pensions granted pensions to all persons who brought themselves within its explicit provisions. The result is that on June 30, 1895, there were 365,118 invalid old soldiers, 95,696 widows and minor children of old soldiers, 12,997 navy invalid pensioners, and 5,104 widows and minor children of sailors drawing pensioners under this law, aggregating 478,915. By far the greater portion of these were placed on the pension roll prior to the advent of the present Administration.

On June 30, 1895, there were 460,385 pensioners under the general law, so that on that day there were in all 939,300 pensioners chargeable to the war of the rebellion and 31,294 chargeable to previous wars, making a grand total of 970,594 pensioners.

Mr. Speaker, the Revised Statutes of the United States, section 4716, provided that— It will be noted that section 2 provides for all persons who served

No money on account of pension shall be paid to any person, or to the widow, children, or heirs of any deceased person, who in any manner voluntarily ensuged in or mided or abetted the late rebellion against the authority of the

By act of Congress passed March 3, 1877, Revised Statutes, section 4716, it is provided that the section last referred to "shall not tion 4716, it is provided that the section last referred to "shall not be construed to apply to such persons as afterwards voluntarily enlisted in the Army of the United States, and who, while in such service, incurred disability from a wound or injury received or disease contracted in the line of duty." In the face of the plain provision of the act of June 37, 1890, providing that "all persons," etc., and contrary to the ruling of its immediate predecessors and in disregard of the act of March 3, 1877, repealing section 4716, Revised Statutes, the present Administration holds that persons who, prior to enlisting in the United States Army, rendered service in the Confederate army, although holding honorable discharges from the Army of the United States, were not entitled to pensions under act of June 37, 1890, alone on account of this Confederate service. I am aware that there has been an effort made to break

the force of the just criticism of this unwarranted construction and to hold that only those who rendered voluntary service to the Confederacy are not entitled to pensions, but this dodge will not serve the purpose for which it is intended, since the rule of the Pension Office requiring ex-Confederate soldiers to prove by two witnesses at this late day that their service was not voluntary is so unfair and extreme that it can not be complied with and all alike are dropped from the pension roll with but few exceptions. Why was this ruling made? Evidently to stop the growth of the pension roll

Mr. Speaker, upon the entering into office of the present Administration there was a scheme entered upon to reduce the number of pensions. At once a review of all the pensions granted under the law of 1890 was undertaken, that being the class of pensions that presented to the mind of the Commissioner the most inviting

field to find excuse and trivial reasons for dropping pensioners and to reduce the roll.

An analysis of the figures submitted by the Commissioner in his report for the fiscal year ended June 30, 1895, page 36, will furnish food for thought and tend to prove what I have already

stated.

We find that out of 460,385 pensioners under the general law there were dropped for all causes during the fiscal year 1895 16,308. Of this number 12,843 were dropped by reason of death, 655 by remarriage, 542 minors by legal limitation, 1,244 by failure to claim, and 1,024 for other causes. Under the law of June 27, 1890, out of a total of 478,915 pensioners, there were dropped for all causes during the fiscal year 1895 23,673. Of this number 12,973 were dropped by reason of death, 544 by remarriage, 003 minors by legal limitation, 1,069 by failure to claim, and 8,484 for other causes. It will be noted that under the class for which no causes are assigned for dropping the pensioner there were only 1,024 dropped under the general law and 8,484 dropped under the law of June 27, 1890, or nearly 800 per cent more under the law of dropped under the general law and 8,484 dropped under the law of June 27, 1890, or nearly 800 per cent more under the law of 1890 than under the general law for which no cause for discontinuing is assigned. This act of 1890 was the field wherein the Commissioner found opportunity to discontinue a large number of pensions without assigning cause. As a result the Administration boasts that the net increase of pensions for 1895 was only 95. But if he had kindly stated the causes for which these 9,484 pensions were discontinued, I feel safe in saying the report would have shown that a very large per cent were discontinued because the pensioners had rendered service to the Confederate cause, although they afterwards enlisted in the Federal Army, rendered valuable service, and now hold honorable discharges.

valuable service, and now hold honorable discharge

Mr. Speaker, it is to cure this evil and protect this class of soldiers that we ask the enactment of the first section of this pending bill. Many of these men were loyal Union men originally and many of them were conscripted into the Confederate service. Many of them entered the Federal Army, were captured, thrown into Andersonville and other prisons, and by a process of starvation, exposure, and inhuman cruelty unsurpassed in the annals of the weeds certainly in any civilized country. They were reduced many of them were conscripted into the Confederate service, Many of them entered the Federal Army, were captured, thrown into Andersonville and other prisons, and by a process of starvation, exposure, and inhuman cruelty unsurpassed in the annals of the world-certainly in any civilized country—they were reduced to walking skeletons, covered with putrid sores, and reeking with vermin. While thus standing at death's door they were offered liberty on condition they join the Confederate army. Hating the flag they were asked to follow, detesting the cause for which they were to take up arms as the price of their liberty, they yielded. Who would not risk all to escape such horrible death and fly from the contaminated prison walls, the charnal house of Anderson-ville, and escape its fifth, its stench, its gloom, and bathe again in the pure sunlight of heaven and drink great drafts of fresh, wholesome air? These poor fellows, for months fed on husks and exposed to the pitiless storms of winter and scorching suns of summer, in rags reeking with fifth, knew their purpose. Their hearts were yet loyal. It was their purpose to regain liberty by joining the enemy, to desert, and fly to those who fought for the flag they, too, loved, and again take up arms for their country. This they did, and fought for the Union to the close of that awful struggle and were honorably discharged. If they are entitled to pension on other grounds it should not be denied them solely because of such service in the Confederate army.

While there is some discontent on this side of the House with the first section of the bill, by far the most pronounced opposition comes from the Democratic side. I do not think I am wrong when I say that four-fifths of the Democratic members on this floor were either Confederate soldiers or believers in the Confederate cause, or are the sons of one or the other of the classes named. Is this Democratic opposition based upon high patriotic ground or does it emanate from a desire to punish such persons, by discriminatin

grave suspicion that this "son of a rebel" was opposing this section of the bill not from patriotic motives alone, but out of a spirit of revenge. Those on this side of the House who oppose section 1 of the pending bill do so not because the man descrete the Confederate cause but upon the ground that a citizen who more bears arms against the country should never be restored to the same rights and immunities that he enjoyed before this act of disloyalty, however bravely and devotedly he may subsequently follow his country's flag.

disloyalty, however bravely and devotedly he may subsequently follow his country's flag.

Between these two contending forces the class of soldiers sought to be benefited under this first section would have a rocky time. On the one hand he is refused a pension because he dared to take up arms against the Union, and on the other he is refused a pension because he dared lay down his rebellious arms and fight for the Union. One denounces him as a rebel; the other denounces him as a deserter. Whichever way he flies is death.

Mr. Speaker, I do not agree with either of these contentions. If I read history aright, the President of the United States, the Congress, and the commanding generals in the late war received the

gress, and the commanding generals in the late war received the serters from the Confederate army with open arms and rejoiced at their coming

They were clothed in the uniform of the Union soldier. In their hands were placed the best weapons at command. They touched elbows and marched side by side with the other soldiers beneath the Stars and Stripes, to the air of "Rally round the flag, boys."
They fought, bled, and died for the Union. Who did more? Who
dare do more? Many of those who survive hold honorable discharges. These men can not be slighted or lightly brushed aside. There is more involved than dollars and cents—a principle as everlasting as the granite hills and as sacred as our flag.

If these soldiers were worthy to wear our country's uniform and follow our country's flag until honorably discharged, that dis-charge should be a certificate of loyalty, and there should be no

charge should be a certificate of loyalty, and there should be no desire or opportunity to go behind it.

Mr. Speaker, while I do not fully agree to all the provisions of the pending bill, containing, as it does, 21 sections, yet I shall give it my support. It does not add any new class of pensioners, but, in my judgment, is only administrative legislation. It bridles a hostile Commissioner and rolls away many of the obstacles that hinder the worthy applicant, and makes his pathway to the Pension Office plain. If a claimant can not bring himself within the provisions of the pension laws by a preponderance of reasonable proof, then he ought not to go upon the pension rolls, but he should not be prohibited from bringing himself within the provisions of the law by a lot of red tape and a failure to comply with unreasonable demands and requirements at the hands of a hostile Administration. This bill will go a great way in correcting the wrongs to tion. This bill will go a great way in correcting the wrongs returned which the defenders of the country and their widows are now subjected, and will be hailed with delight by a large class of old coldiers, and, in my judgment, will be approved by all right-thinking men throughout the country.

Pensions.

REMARKS

HON. LUCIEN J. FENTON.

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Monday, April 27, 1896,

On the bill (H. R. 8271) relating to pensions.

Mr. FENTON said:

Mr. SPEAKER: The bill under consideration, so far as it goes, will, in my opinion, meet the hearty approval generally of ex-soldiers and their friends.

It can not be denied that liberal provision has been made by Congress from year to year since the close of the civil war in order that the disabled survivors of the armies of the Union may not suffer on account of the lack of the necessaries of life.

Indeed, it may be truly asserted that the old saying that "republics are ungrateful" has been completely refuted, as evidenced by the liberal pension acts spread upon our national statute books from 1865 to 1896, in response to the peremptory demands of a grateful people, who have realized and continue to realize that this great nation owes its existence to the patriotism of the "boys of '61," who are now so rapidly and so silently passing into the "bivonac of the dead."

"bivonac of the dead."
But while the nation has attested its gratitude to its defenders by liberal provisions in the aggregate, the truth remains that the ends of justice in thousands of worthy individual cases have been defeated through the cold-blooded, hairsplitting interpretation of the pension laws by the agents of the Government and the

servants of the people whose duty it has been to pass upon the claims of maimed, diseased, and poverty-stricken veterans whose very existence has been rendered miserable on account of exposure on the march, in the camp, and on the battlefield, in order that popular government might not be a failure and that this nation might stand united and not be rent into warring sections and thus perpetuate a civil strife before which all civil wars recorded in history would have need into investigators. recorded in history would have paled into insignificance. Does it occur to the gentlemen who, in luxurious case and with comfortable salaries, are sitting in judgment upon the modest claims of aged veterans, of needy orphans, and sorrowing widows, that they owe these conditions of luxury and of power to the sacrifices of the eld soldier concerning whose claims, not infrequently, they pass judgment with a cynical air and with such a lack of human sympathy or decency as would do credit to the most exaggerated specimen of the modern shylock in exacting the last atom of flesh? I may be asked to specify and not to deal in generalities. Very well; I shall at least refer to one matter to illus-

The Pension Office employs a fixed number of special examiners, at a probable annual cost to the Government of a half million dollars. I doubt not that many of these examiners are worthy gentlemen who do their work conscientiously and justly in reference to claimants; but "there are others," so to speak, and of these

I wish to treat.

I have in mind a particular case which came under my own observation and which shows the grossinjustice sometimes practiced

servation and which shows the grossinjustice sometimes practiced by special examiners.

Ethan Allen Sellman, whom I have known from my early childhood, enlisted in Company E, Fiftieth Ohio Volunteers, August 26, 1862, served faithfully, and was honorably discharged at Salisbury, N. C., June 26, 1865.

He was granted a pension at the rate of \$8 per month from the date of his discharge because of disease of the eyes incurred in the line of duty. He continued todraw a pension until some time in the year 1878, when some secret enemy addressed a letter to the Commissioner of Pensions alleging that Sellman had disease of the eyes prior to his army service. A special examiner was forthwith sent out to investigate the charge made by this enemy forthwith sent out to investigate the charge made by this enemy of old soldiers, and he (the examiner) appears to have taken his bearings from the aforesaid secret enemy of pensioners, since he seems only to have discovered persons from whom to take testimony who were not friendly to Sellman; strangely enough, failing to take the affidavits of others who were without prejudice in the matter. This special examiner made his report based upon exparte evidence, taken in the dark so far as this old soldier was concerned, and upon this report, accompanied by affidavits, all in the handwriting of this exparte examiner, the name of Sellman was dropped from the rolls, and, as though his physical afflictions were not enough, he was thus by implication stigmatized as a frank and a previous by the very Government he had tized as a fraud and a perjurer by the very Government he had fought to save. But this special examiner must make a record for himself as a great detective and a great discoverer of fraud. So on September 4, 1878, the name of Ethan A. Sellman was dropped from a roll of honor, where it belonged, by a star-cham-ber proceeding and his good name stigmatized without his being permitted to be heard in his own behalf. Borne down by disease, disappointment, feeling deeply the base injustice done him, this poor man has struggled through all these years to the present time hoping against hope that the great wrong done him might be righted before his troubled life shall end. Before my election to Congress I was familiar with this man's

Many efforts have been made by his friends to correct the well-known injustice, but all to no purpose. Soon after my arrival in Washington, last December, I visited the Pension Office and asked to see the papers in the Sellman case. On examination I made a most remarkable discovery, namely, that Sellman's pension had been stopped on the evidence of three men, two of whom I knew personally, but as they are now dead, I shall make no comments. Suffice it to say, however, that two of these three men made later affidavits which are on file, retracting statements made in their first affidavits, so that the evidence against Sellman narrows down to that of one man, whose widow now contradicts him, stating that she knew Sellman well for ten years prior to his enlistment, and knows that his eyes were not diseased before his army service. I also found 40 affidavits of responsible citizens of Adams and Brown counties, Ohio, most of whom are known personally to me to be persons of the highest character, testifying that they knew Sellman before the war and knew him to be them free from the alleged disease. I was delighted with this discovery of 49 to 1 in favor of this gallant but deeply wronged old seldier. I hastened to see the honorable Commissioner, thinking all I had to do was to call his attention to this long-standing wrong, but to my surprise he manifested little interest in the matter. I ventured to sek him to give his personal attention to the case, which he finally consented to do, saying he would write me his decision in a few days. Imagine my feelings when that letter made in their first affidavits, so that the evidence against Sellman

came, the substance of which was that there was nothing in the evidence furnished in the 49 affidavits sufficient to offset the re-port of the special examiner and the affidavit which said examiner wrote and had the one man to sign as before mentioned. In short, this means that the report of the special examiner out-weighs everything else if it be unfavorable to the claimant or

There was but one course left, and I have accordingly introduced a bill to restore this man to the rolls, and I fully believe it will appeal successfully to the sense of justice existing among mem-

bers of both Hous

I wish to say, Mr. Speaker, that I desire to see a law enacted at an early date pensioning every man who suffered the torments of those earthly hells, whose horrors can never be described by tongue or pen. I refer to rebel prison pens, where our brave comrades who survived those indescribable cruelties suffered as no others have suffered for the land we love. Let us be just and pression them all.

pension them all.

There is one other matter I wish to refer to briefly. It is what, in my mind, is a demand for an amendment to existing laws in the interest of widows, to the end that the discriminations against very many of these patient sufferers may be at least reduced to a minimum. It is a well-known fact that many needy widows of soldiers who served faithfully through the entire war, under existing law, can get but \$8 per month. The soldiers whose widows are the victims of these unjust discriminations may have met death from accident or may have died from disease contracted in the service, but they have no hospital record; the record of the surgeon's call knows them not. No matter how valuable their services may have been to the Government or how they may have suffered and struggled against poverty until death relieved them from their sorrows, their widows must be content with the pittance of \$8 per month.

I shall not say it is wrong for the widow whose husband enlisted near the close of the war, was paid a large bounty, and spent the greater part of his time about the hospital to receive \$12 per month, but I do say that when the Government does this and refuses to pay more than \$8 per month to the widow of the veteran of three or four years' faithful service in the field, it does a rank injustice to thousands of deserving widows borne down by

toil and weight of years. Finally, let the representatives of the people see that equal and impartial justice shall be done, so far as may be within the power of the Government, to all who have just claims for recognition, whether it be soldier, widow, or orphan.

Bankruptcy.

REMARKS

HON. WINFIELD S. KERR, OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 30, 1896,

On the bill (H. R. 8110) to establish a uniform law on the subject of bank-ruptcies throughout the United States.

Mr. KERR said:

Mr. KERR said:
Mr. SPEAKER: After a careful examination and consideration of the provisions and purposes of this measure I have concluded to support it, and I desire to state some of the reasons which brought me to this conclusion. Two reasons stand out prominently and appeal strongly to any man's judgment who approaches the subject near enough to view it in a clear light and considers it dispassionately and without the bias of prejudgment.

First, creditors should have the protection and the advantages of a fair bankrupt law, and secondly, debtors who honestly give over their property to satisfy the claims of creditors should be discharged from their obligations and thereby given an opportunity to again enter the race of life upon even terms with those who have been more fortunate.

tunity to again enter the race of life upon even terms with those who have been more fortunate.

Business men, those engaged in commercial lines, and lawyers appreciate more adequately than most others the pressing need of a bankrupt law by virtue of which an insolvent's estate and effects shall be protected from the dishonest and inequitable raids of preferred creditors. In most of the States it is the rare exception where, under the State insolvent laws, an insolvent estate is divided pro rata among his creditors. The preferring of creditors has grown into a monstrous evil. The preference itself, when done housestly and according to form of law, is inequitable, because the very soul of equity is equality; but when dishonestly done it is simply a disgrace to the jurisprudence under which it is done and which can afford no preventive or relief.

An honest preference, under laws which permit it, is the re-ward of a diligent creditor, but the form is the instrumentality through which the insolvent's estate and effects are conveyed to friends and relatives and put effectively beyond the reach of

through which the insolvent's estate and effects are conveyed to friends and relatives and put effectively beyond the reach of honest creditors.

My experience as a lawyer leads me to believe that in the great majority of cases the debtor's wife, brother, uncle, or aunt turns up with the largest claims and a preference, and if the estate can be measured beforehand the claims and preference do not fall much short of equaling it. I do not mean to say this practice is always dishonest, and the claims of relatives and favorite creditors always spurious, but to such an extent in many of the States has this practice of fabricating claims and securing them by preferences gone that it has become a great commercial and business evil, dangerous and crying loudly for relief.

There is no remedy for it save in the enforcement of an equal distribution of an insolvent's estate among creditors. This does no injustice to creditors; it in fact puts into their credit business an element of certainty that of itself is an element of stability. As it is now in most States a foreign creditor has no reliance except upon the solvency of his debtor. In case of a failure he is sure to be forced out by a creditor who is upon the ground or who stands in with the debtor. To know that in any event the assets will be divided equally among all creditors is an advantage.

In this connection another evil has grown up in many communities which ought to be eradicated. It is the practice of preferring home creditors to the exclusion of foreign creditors. I am in favor of home industries and the patronage of home institutions; but the ethics of that good principle is wrenched when it is car-

home creditors to the exclusion of foreign creditors. I am in favor of home industries and the patronage of home institutions; but the ethics of that good principle is wrenched when it is carried to the extent of wholly depriving foreign creditors of payment of their claims in order that home or domestic creditors may be paid in full or receive large dividends.

The law of preferences gives the debtor more power in the disposition of his estate in case of insolvency than he should have. The estate or property of an insolvent, at least after insolvency reaches a point requiring liquidation, should belong to and be controlled by his creditors. They alone have an interest in it. But under the insolvent laws of most of the States they can do nothing, however involved the debtor is, unless the debt was fraudulently or criminally contracted, or they can get a judgment fraudulently or criminally contracted, or they can get a judgment obligation, or there exist grounds for attachment. Under these laws a preference is not an act upon which may be predicated the remedies of attachment or receiver. An insolvent debtor may give a judgment note or a mortgage upon his property to a favorite creditor, and at the same sitting execute a deed of assignment, put the mortgage on file, or levy the execution a minute ahead of filing the deed of assignment, and the supreme court of Ohio holds the preference to be valid.

For some years the doctrine was sustained in Ohio that if the preference given to secure a preexisting debt and the execution of the deed of assignment was one transaction—that is, if the former was done in contemplation of insolvency and assignment—it was void as against creditors. But within a year or two this rule has been so modified that no presumption obtains, although the prefer-

void as against creditors. But within a year or two this rule has been so modified that no presumption obtains, although the preference and the deed of assignment are given and made at the same time. At least it goes to the extent of holding that the fact of contemporaneous execution of the instruments by which the preference is given and the assignment made does not of itself afford proof sufficient to invalidate the preference. How many other States have a like rule I am unable to state. So much for the creditor; now about the debtor.

Honest debts ought to be paid in full, but there are certain situations and conditions in which that becomes impossible, and in such cases we are confronted "by a condition and not a theory." Then the question must be determined whether it is better to require the creditor to lose his debt or a portion of it, or give him a mortgage on the life of the debtor. The community has some interest in this proposition, and its interest should be consulted. An individual is an integral part of the community—his labor contributes to its prosperity, and his incapacity or inability to labor withdraws so much from its productive forces. The mainspring of industry is the desire to accumulate property, to become independent. This incentive is withdrawn if the individual is not allowed to hold property in his own name or is driven to over up his ownership, neither of which is any advantage to the community or to his creditors.

When an individual completely fails, leaving a large indebtedness, it is a rare exception where he recuperates and pays any con-

munity or to his creditors.

When an individual completely fails, leaving a large indebtedness, it is a rare exception where he recuperates and pays any considerable part of such indebtedness. The wise creditor in such case puts the amount down to loss and wipes it from his memory. But there are others; and they pursue and harass an unfortunate debtor while both are upon the earth. The creditor gets nothing and the debtor dare not get anything. In most instances the indebtedness is so large that there can be no hope of payment within such time as the debtor's recuperative forces last; and at any rate it is more than human to ask a man to devote all his life to paying debts.

Again, the debtor's family is a powerful factor in the problem.

A man's first duty is to his family, his wife and children. "He that provideth not for his own household has denied the faith, and is worse than an infidel" is the divine condemnation. A roof-tree is worse than an infidel" is the divine condemnation. A roof-tree must be maintained and the mouths of dependents fed before any other rights intervene. Of course all the States provide homestead and other exemptions to debtors who are heads of families, but these alone are hardly applicated to call forth. but these alone are hardly sufficient to call forth the energies and abilities of men who have made fortunes and conducted large busi-Extinguish hope, and we become driftwood on the stream

During the last few years of financial and business disaster thousands of men of integrity and high business ability have become bankrupt. Unless the load of debt is lifted they are useless, use-less to themselves, useless to their families, useless to their com-All incentive to activity is cut off; they float, and will

float to the end.

Every dollar of property belonging to a debtor, save reasonable

exemptions, should be sequestered for creditors, but when that is done the bond should be canceled. We might as well imprison for debt as to allow a creditor a mortgage on the life of his debtor. There are certain chances in business that must be taken by those engaged in it. Credit is largely extended upon property, stock, assets, and not very largely upon the life of the person to whom credit is extended. If the former fail the latter should not

whom credit is extended. If the former fail the latter should not be put in pound.

This philosophy may be too fine for business, but to subscribe to it is creditable to our humanity. In many cases it all resolves itself into the poet's conclusion, "God made the old man poor." Honesty is the talisman which opens the door of this act to the debtor. At its hands no dishonest debtor will receive his liberty. This measure provides for both voluntary and involuntary bankruptcy; that is, it permits the debtor to take advantage of the act and it permits creditors to compel the debtor to liquidate under it if he is shown to be insolvent and that he has committed an act of bankruptcy. The acts of bankruptcy as defined in section 2 of bankruptcy. The acts of bankruptcy, as defined in section 2 of this bill, fall within three general classes, namely: First, acts which are a fraud against the rights of creditors; second, giving or at-tempting to give favorite creditors a preference or advantage over tempting to give favorite creditors a preference or advantage over other creditors, and third, conditions, such as defaulting in payment of matured commercial paper and suspension of business, which of themselves indicate failure or bankruptcy. In most of the States these acts are held to give the creditors of a debtor committing them certain rights which more or less interfere with his control of his property and with the prosecution of his business. Acts of fraud such as are described in clauses 1, 3, and 7 of section 2 in most of the States are grounds for attachment, and under them the debtor's property is sequestered and sold under legal process. Acts such as are described in clauses 5 and 6 of said section furnish ground, in many of the States, for setting aside the preferences as a fraud upon creditors, and if the debtor's

legal process. Acts such as are described in clauses 5 and 6 of said section furnish ground, in many of the States, for setting aside the preferences as a fraud upon creditors, and if the debtor's whole property is covered by the liens or preferences it all may be administered for the benefit of all creditors. So the debtor would not be in a position differing so radically from the present situation as some would make appear, even though this bill should pass. The strongest argument—at least the one that thunders most in the index—is that debtors would be at the mercy of rapacious creditors. Not so. On the contrary, their hand would be stayed by the certainty that no advantage over other creditors could be secured, however swift they might move. The certainty, also, that however slow they might move, however lenient they might treat the debtor, it would not result in advantage to other creditors, would act powerfully to the debtor's advantage. Indeed, under the State attachment laws, the inducement to rush in is more dangerous to debtor than anything that could menace him under the provisions of this bill. In States where legal preferences can be given the inducement to press and harass a debtor is especially strong. It is a powerful leverage, and is used as such.

But take this measure; a debtor knows exactly or can measure accurately the rights of his creditors. He knows that if he does not commit an act of bankruptcy he is in no danger from them; that is, in no danger of being thrown into bankruptcy. He may be sued and all that, but I mean he is in no new danger by reason of a bankrupt law.

It is argued that because other bankruptcy laws proved unsat-

of a bankrupt law.

of a bankrupt law.

It is argued that because other bankruptcy laws proved unsatisfactory this one will. I have not examined the reasons for the repeal of the acts of 1800 and 1841, but I have some knowledge of the cause which resulted in the repeal of the act of 1867. The expense of administering it broke it down. The demand for its repeal did not come from the debtors, but from creditors, who saw estate after estate swallowed up in the hungry maw of registers, assignees, marshals, and others whose services were employed. Delays were devised, because the longer the delay the larger the fees. This bill is carefully guarded against that abuse. In addition to the per cent—the commission—the fees are fixed and can not exceed a certain reasonable amount. The commissions, based upon the amount of the estate, are low, and no discretion is left upon the amount of the estate, are low, and no discretion is left

under which they might be enlarged. There being no inducement for delay, there will be no unreasonable delay in administering this law.

The law of 1867 was unsatisfactory in that a debtor must pay 50 per cent of his debts or he could not be discharged without the consent of a majority, in number and amount, of his creditors. Many who honestly turned over all their property, and in fact the majority at the end, found they could not pay 50 per cent, and they went on with their burden, unrelieved and undischarged. This was wrong. A debtor who turns over everything should be discharged. There is little loss to the creditor and much gain to the debtor and community in the discharge, and it should be granted in every case where the debtor honestly complies with the act.

Under the law of 1867 there were not sufficient registers to make its administration convenient to the people. Whenever a litigant has to travel out of his county to court or hearings in which he is interested or compelled to attend it is burdensome and expensive. A creditor may do this, but a debtor whose property is sequestered can not do so without inconvenience and embarrassment. This requires at least one referee in each county, and that feature

will prove a great improvement on the last law.

The rights of both debtor and creditor are carefully guarded in this bill. No debtor can be adjudged guilty of an act of bankthis bill. No debtor can be adjudged guilty of an act of bankruptcy until that question is passed upon by a jury, unless, by his
failure to request one, the right is waived. This right is as safely
guarded as life and liberty. The right of trial by jury, the great
Anglo-Saxon institution, is erected between the debtor and his
creditors. If that right could preserve liberty against the power
of tyranny and kings for centuries, it can and will protect a debtor
from being oppressed and wronged at the hands of his creditors.

With all its merits the bill should be broadened a little in its
scope. It should include corporations as voluntary bankrupts.
They are included as involuntary bankrupts, and if they can be

scope. It should include corporations as voluntary bankrupts. They are included as involuntary bankrupts, and if they can be thrown into bankruptcy they should have the power to go into it voluntarily. No reason has occurred to me, and I have heard none, for depriving artificial persons of this right accorded to natural persons. They were included in the act of 1867, and nothing in the operation of that act as to corporations furnishes a reason for

this departure.

That they should not be discharged from debts is very clear. In the first place, there is no necessity for it and no advantage or benefit by reason of it. A corporation upon going through the process of liquidation loses its entity; it is dissolved. The same corporators or stockholders may again start in business, but it will be under a new organization and as a new artificial being. The stockholders, individually, are not the corporation, and except as they are made liable by statute or constitution for its debts, the as they are made hable by statute of constitution for its debts, the measure of their interest is their respective interests—the company property and assets. The stockholder's liability could not be discharged or affected by an act of Congress. So, as I have said, the reasons for not discharging a corporation from its debts

But why should it not have the right to become bankrupt on its own motion if its interests and those of its creditors render it advisable? In the form this bill now assumes the only way a corporation can secure the benefit of the law is by committing some act of bankruptcy, committing some fraud upon its creditors, or doing some uncommercial or unbusinesslike act. This is not so important to the company itself as to its creditors. Every year sees the business done through the medium of corporations increased.

Let me illustrate. A corporation is failing—may be insolvent, yet Let me illustrate. A corporation is failing—may be insolvent, yet no act of bankruptcy is committed. There is no ground upon which creditors can move for relief or remedy under this bill. Certain creditors have cognovit or judgment notes, and upon these judgments are taken and levies made. As in the ordinary course, judgments may be taken upon matured paper or debts, and levies made. The result of this is that a few creditors exhaust the property and others are excluded. There is no wrong about this, but there is no reason why the means of equal distribution should be provided in case of natural persons and not in case of corporations. provided in case of natural persons and not in case of corporations.

I propose the following amendment, which, if adopted, will put corporations in this act as they were in the act of 1867:

In section 3, line 1, after the word "person," insert "partnership or corporation," and strike out of said section the words "except a corporation"; and at the end of Paragraph B, of section 3, insert the following.

"That the provisions of this act shall apply to all moneyed business or commercial corporations and joint stock companies, and that upon the petition of any officer of such corporation or company, duly authorized by a vote of a majority of the corporators at any legal meeting called for the purpose, or upon the petition of any creditor or creditors of such corporation or company, made and presented in the manner hereinafter provided in respect to debtors, the like proceedings shall be had and taken as are hereinafter provided in the case of debtors; and all the provisions of this act which apply the debtor, or set forth his duties in regard to furnishing schedules and inventories, executing papers, concealing, conveying, assigning, or paying away his money or property, shall in like manner and with like force, effect, and penalties apply to each and every officer of such corporation or company in relation to the matter. Concerning the corporation or company and the

money or property thereof, all payments, conveyances, and assignments de-clared fraudulent and void by this act when made by a debtor shall in like manner and to like extent and with like remedies be fraudulent and void when made by a corporation or company. No allowance or discharge shall be granted to any corporation or joint stock company, or to any person or officer or member thereof: Provided, That whenever any corporation by proceedings under this not shall be declared bankrupt, all its property and assets shall be distributed to the creditors in like manner as provided in this act in respect to natural persons."

Another most potent reason why they should be included: This law, if passed, will supersede or suspend the insolvent laws of the States. If corporations are not permitted to make voluntary assignments in bankruptcy and the State assignment laws are suspended, there is no way left by which they can secure an equal distribution of assets among creditors. They may liquidate through the hands of receivers, they may be wound up, but there will remain no means in the hands of the company itself to secure each distribution.

such distribution.

It may be thought that the State insolvent laws will continue in force as to corporations if they are not brought within the provisions of this act, but such is not the case. The act of Congress itself supersedes all State insolvent and bankrupt laws. The jurisdiction is concurrent, but when Congress acts by enacting a uniform system the jurisdiction of the States cases. But if there were not constitutional obstacles it would hardly be practicable to have the assets of insolvent corporations administered under State laws and the assets of natural persons under a national State laws and the assets of natural persons under a national bankruptcy law. The conflict would be endless between creditors seeking to secure equal distribution through bankruptcy proceedings, and the company itself or favorite creditors seeking or having secured preferences, to proceed under the insolvent laws of the States.

The act should contain some provision as to what the petition should contain in both voluntary and involuntary proceedings. This provision should seek to enforce brevity in the pleadings. If the essentials are made statutory, it will do much toward simplifying the petitions and render unnecessary court construction, and it will at least enable every pleader to know just what is nec-

essary to set forth.

As to the form of the petition in voluntary bankruptcy, I propose the following amendment:

The petition filed by a debtor chall contain, in substance, the following algations: The debtor's place of residence, his inability to pay all his debts full, his willingness to surrender all his estate and effects for the benefit his creditors, and his desire to obtain the benefits of the act.

This is substantially the requirements of the act of 1867, and it would have the advantage of judicial construction.

As to the petition of creditors I propose the following amend-

ment, namely:

The petition filed by a creditor or creditors shall contain, in substance, the following allegations: The debtor's place of residence, the amount of claims represented by the petitioners, and the number of claims, the commission by the debtor of one or more of the acts of bankruptcy as herein defined (and it shall be sufficient to set them forth in the words of the act) and the desire of the creditors that the debtor be declared a bankrupt and his property and estate be administered under the provisions of this act.

No form was provided in the other bankruptcy laws for the petition of creditors, so far as I know, but it seems wise that the act should fix the general form and determine the essential alle-

gations.

There should be an amendment to section 5, striking out the following words: "For six months, or the greater portion thereof, immediately preceding the filing of the petition." This section mmediately preceding the filing of the petition." Inis section seeks and proposes to preserve intact the exemptions of debtors in the various States, but it will not do so. The words quoted are the concluding words of the section and put a condition upon the right of exemption which does not exist in many of the States. It in effect requires a domicile of six months, or the greater part thereof, before the filing of a petition to entitle a debtor to the ex-

In many of the States no length of residence or domicile is required to entitle a debtor to a homestead or exemptions. If he is the head of a family and has no homestead he is entitled to certain exemptions, and if he has a homestead, being the head of a family, and if its value does not exceed a certain amount, it is preserved to him, free from the claims and attacks of creditors without reto him, free from the claims and attacks of creditors without regard to any length of residence or domicile. Some States require a certain residence and some do not, so that if this act passes it will fix a new rule of exemption in perhaps all the States. It will require a domicile of the greater part of six months in the State. What the section should provide, and what it will provide if these words are stricken out, is that exemptions shall remain as they are now fixed by the laws of the various States.

This measure has received the word executed consideration of the

This measure has received the most careful consideration of the Judiciary Committee and the House, and no doubt is the very best product in the way of bankruptcy legislation that could be presented. Public sentiment is for a bill of this kind and ought to be responded to. I shall vote for it with great pleasure.

Pensions.

REMARKS

HON. JAMES A. CONNOLLY.

OF ILLINOIS.

IN THE HOUSE OF REPRESENTATIVES,

Friday, April 24, 1896.

The House being in Committee of the Whole on the state of the Union, and aving under consideration the bill (H. R. 5271) relating to pensions—

having under consideration the bill (H. E. 2571) relating to pensions—
Mr. CONNOLLY said:
Mr. CHAIRMAN: The laws of the United States granting pensions to our soldiers are somewhat different from the laws of any other civilized country in the class of soldiers to which they are applicable. Civilized nations of the world, as a rule, aside from our own, have their standing armies, and their soldiers may be called regular or professional soldiers, and yet, although that is their profession, those countries provide for pensions to such of their regular professional soldiers as may have incurred disability while in the service of their respective countries. Our soldiery—

their profession, those countries provide for pensions to such of their regular professional soldiers as may have incurred disability while in the service of their respective countries. Our soldiery—the great mass of it; all those that it is necessary to mention as soldiers in this country—were men who simply recognized the duty that is incumbent upon every citizen of every country, namely, when the life of that country is in danger, that the highest duty of the citizen is to offer his services, his life, and his person on the field of battle in defense of his government. That is an obligation resting upon him, whether he is paid or not and whether he is pensioned or not. He must give it, and all countries recognize that those who live within their borders and are protected by their laws owe to the several governments under which they live, in retu.n, their lives, if necessary, for the preservation and protection of the government itself.

The soldiers in reference to whose pensions we are now considering the pending bill were citizens of our common country, and not professional soldiers. They were men who had no love of war and itsalarms; men who were engaged in civil avocations and the peaceful pursuits of life, with no ambition except to succeed in such civil pursuits. They were called to the field of battle, not by force, not by conscription, but simply by a proclamation of Abraham Lincoln, standing at the capital of the nation, and calling on all men of the North who believed the Union ought to be preserved to leave home and their ordinary pursuits and enter the field as soldiers, subjecting themselves to the risks, trials, and viciasitudes of the soldier's life. They came in myriads, inspired not by the hope of fame, inspired not by the hope of pensions, but inspired alone by love—for that is what it was—a love for the Union and a determination that it should not perish from the face of the earth. Their work is done; the few remaining among us of that great Army that saved the Union are old, crippled, dis

These are all that remain among us. A generous people through their Congress have provided laws whereby these men—the men who thus volunteered and rendered the highest duty of the citizen in the time of their country's danger—should be cared for in some degree and kept, in their old age, from going for support into the almshouses of the land. In the administration of the law thus

degree and kept, in their old age, from going for support into the almshouses of the land. In the administration of the law thus enacted by a grateful people we find practically that the generous purposes of the people, the generous purposes that Congress evidently intended, that the laws should be liberally construed for the benefit of the survivors of that war, have failed to meet the purposes designed by them, and by the Congress that enacted them; and all over this land, from the North to the South, there come up wailings and complaints from these men, because while they know the generous purpose that inspired the enactment of these laws, they yet see that by hostile construction, by unfriendly construction, they are not carried out, and they find themselves turned away without receiving the pension or the bounty that the public intended they should have for their services.

They now appeal to us to remedy this hostile construction and make the rules of evidence—the rules of procedure—such that they shall secure for every man who was a volunteer and who incurred disease or wound by reason of his service, or since then by reason of age or disease not traceable to the service, and who shall be unable to maintain himself, what the Government intended he should receive; and it is for the purpose of responding to that call, for the simple purpose of crystallizing into law the generous purposes that Congress had in enacting these laws, that the pending bill is brought forward for our consideration at this time. They ask that the rules of evidence and procedure with reference to the consideration of pension claims shall henceforth obtain in the Pension Bureau just the same as the rules of evidence and law obtain in the courts of justice throughout the land. That is the reason this bill is now being considered by this House.

As was said by the gentleman from Ohio [Mr. Layron] it is

manifest that this bill should not provoke partisan discussion, because no man, whether a Republican or Democrat, would dare to say that he did not respect the man who went, when his country called for his services, bravely to the front, and took his place with his comrades in the battlefield. They do respect him. There is no man, Republican or Democrat, who would openly say above a whisper in this land that a man who did thus leave home the call of his country, the man who has thus faithfully done

above a whisper in this land that a man who did thus leave home at the call of his country, the man who has thus faithfully done his duty, should be permitted to end his days in the almshouse. This Government simply consists of the people. The duty to fight at such a time was incumbent upon us all. If some remained at home and others took up the cross, those who bore the cross and sustained the wounds should now be cared for by those who lived at home in ease and comfort and by their survivors, at that no nortisen feeling should be provided by a discovery who hven at name in case and counter, and by their survivors, so that no partisan feeling should be provoked by a discussion of this kind; and I agree that the gentleman from Ohio [Mr. Lay-Ton] was right when he made that proposition. But I noticed that before his speech closed be had a carefully prepared summary to show that the Democratic party was a better friend of the soldier than the Republican party.

show that the Democratic party was a better friend of the soldier than the Republican party.

Mr. LAYTON. I will say to the gentleman that I did not make any such claim. My data that you refer to simply show that the Democratic party was also a good friend.

Mr. CONNOLLY. Was also a good friend. Now, it is immaterial about that question of party; but since it has been injected here I want to suggest that the soldiers of the war of the rebellion, when considered simply as soldiers, are more indebted to the Democratic party than to the Republican party. Why? Because if it had not been for the Democratic party they never could have had an opportunity of being soldiers of the war of the rebellion.

[Applause on the Republican side.] They never could have had a chance to reap their harvest of wounds, disease, death, and glory on the field of battle.

on the field of battle.

Yes, and the soldiers of the Mexican war are more indebted to the Democratic party than to the Republican or Whig party of that day; because if it had not been for that Democratic party and the necessities that were pressing upon it there could have been no glory reaped by our men on the battlefields of Mexico, for

there would have been and could have been no war.

So that, getting down to the foundation of it, if that were friendahip let the Democratic members on this floor who have injected partisan discussion into this matter remember that I concede to their party the origin of all the wounds and glory won by our sol-diery. I concede to them the initiation of all that brought all this trouble, of death, of wounds, of disaster, and sorrow, upon this great Republic

The gentleman from New York [Mr. McClellan] opened this

debate in opposition to this bill.

When I reflect upon matters that are within my memory, but not within his, I am reminded of some things that may furnish a reason why that gentleman may be presumed to be hostile to this or any other measure for the benefit of the victorious Federal soldiers who survive the war of the rebellion.

diers who survive the war of the rebellion.

In the summer of 1864 Grant had begun his all-summer fight through the Wilderness on his way to Richmond. Sherman was fighting to win Atlanta preparatory to his march to the sea. The might and power of the Union armies were at last being marshaled and moved as Lincoln and every loyal man in the North long had prayed for. Half-hearted leaders had been deposed; martinets early to the reserved will need dress had been deposed; martinets sent to the rear; drill and dress parade commanders dispensed with, and the Union armies, finally working in their full vigor, were in the midst of their last glorious summer's work, with the grand diapason of battle swelling out day by day from Grant's army in the Wilderness to Sherman's army before Atlanta.

At such a time a former leader of that splendid army which

was then with Grant in the Wilderness, from a safe retreat, far behind Grant's struggling lines, pretending to act for Union men of the North, raised the white flag of truce and surrender, and the raising of that flag at such a time by such a man was regarded by the world as equivalent to saying to South Carolina and her sister Confederates: "Hold out for a time and we will help you

in your work."

That deposed leader, under that flag of surrender, became the candidate of this party that is now claiming to be the friend of the soldier. That party proclaimed at Chicago in its national convention in 1884.

That this convention does explicitly declare as the sense of the American people that after four years of failure to restore the Union by the experiment of war, during which under the pretense of a military necessity or war power higher than the Constitution, the Constitution itself has been disregarded in every part, and public liberty and private right alike trodden down, and the material prosperity of the country essentially impaired, justice, humanity, liberty, and the public welfare demand that immediate offorts be made for a cossation of hostilities with a view to the ultimate convention of the States, or other peaceable means, to the end that at the earliest practicable meanent peace may be restored on the lease of the Federal Union of the States.

I say, when the gentleman from New York [Mr. McClellan] stood there making his speech there came back to my memory

those words that were inscribed upon the white flag which that former leader of our armies carried all through a great campaign, fighting in the rear against these men who to-day survive with their wounds and their diseases. I am, therefore, not surprised that that gentleman should insist that the Democratic party was the best friend of the soldier. Aye, under the leadership of that party in the North in 1864, when Sherman was marching through to the sea, when Grant and Lee stood in deadly struggle around the ramparts of Richmond, these things were happening. Remembering that fact, I ask, How much is the gentleman from New York [Mr. McClellan] to-day inspired by tradition and early teaching to the notion that the entire war was wrong after Grant assumed command of the Potomac Army; that there should have been a base surrender at that time instead of the glorious victory won by that Army of the Potomac, which for years, under differformer leader of our armies carried all through a great campaign, won by that Army of the Potomac, which for years, under different leadership, had been simply an army of construction? Is it strange at all that now that gentleman should come here and insist that the Democratic party is the only party that is the friend of the soldier!

I distinguish between Democrats and the Democratic party as an organization. I know there are thousands and hundreds of thousands of Democrats all over the North, aye, in the South, too, who are friends of the soldier, and who want to see the pension laws honestly and fairly carried out. But the party as an organization, I say, has never shown itself in its action to be favorable. It has rather looked upon this question of pensions as an economic It has rather looked upon this question of pensions as an economic question, as a question which involved vast expenditures of momey, and has been desirous all the time to keep it limited within the narrowest possible range, actuated possibly by the spirit of the Democratic convention of 1864, that saw the war was continuing and costing enormous amounts of money, and that would therefore stop it because of the vast expense. Now, Mr. Chairman, if it had not been that these gentlemen did inject this sort of a thing into this discussion, I certainly should not have called back to memory any of these things that the older members of this House remember very well.

remember very well.

I turn my attention, sir, for a few minutes to the bill itself.

The bill, I say, is in the right direction; but I conceive that in many respects it fails to carry out the real purpose that the committee intends and that other members of this House intend shall be attained. Take, for instance, the first section of this bill. It

That no nerson otherwise entitled to a pension by virtue of any law of the United States shall be disqualified from receiving the same by reason of any prior service in the Confederate army or navy during the war of the rebellion, nor shall the widow, children, or dependent relatives of such person be deprived of a right to pension by reason of such service. Proceed, That no pension shall be granted by virtue of this section for disability contracted or incurred while adding or abetting the late rebellion against the authority of the United States.

The section as it stands there now broadly goes to this extent: A man who assisted in the beginning in working up the fury of rebellion in the States of the South, who enlisted at the first opportunity, who served for three years or three and a half years in the armies of the Confederacy, whether as an officer or a soldier, who fought his best and bravely under the fiag he had espoused as his, if thatman for any reason, if it be for no other reason than that which Benedict Arnold had for deserting the American Army in the time of the Revolution, had deserted their lines and came into ours and took the oath of allegiance and enlisted in our Army, he ours and took the oath of allegiance and enlisted in our Army, he becomes entitled to a pension for any disease thereafter contracted in our service during the ninety days of his service in it or for any wound he might have received, just the same as a boy from the North who had served four years and was disabled by a disease. The boy from the North who had left his home and had given all the hard labor that he could for years for his country's cause is placed on no better footing than the rebel soldier or officer who, when he found his cause failing or through disappointment of any kind, deserted his flag and came to us, crawling in under our flag when he saw success for the future under it. I agree with the gentleman from South Carolina [Mr. Talbert] in some of the remarks he made yesterday in his speech, in which he said, substantially, that a man who has once intelligently espoused a cause and fought under a flag and then in a cowardly manner deserts and fought under a flag and then in a cowardly manner deserts it and goes to the other is not entitled to much consideration from either side.

Mr. PICKLER. Even if he is a Union soldier he is not entitled

to any consideration?

Mr. CONNOLLY. No, sir; not when he leaves his former flag

Mr. CONNOLLY. No, sir; not when he leaves his former flag and comrades from a sense of cowardice.

Mr. PICKLER. Well, allow me to say you desert the Republican position of four years ago, which held that these men were entitled to pension, although not on so broad a proposition as this. This is not a new pledge.

Mr. CONNOLLY. The gentleman suggests to me that I must hold no idea except that which is contained in the Republican platform of four years ago. I tell him that I am not thus to be restricted by a platform.

mr. PICKLER. Butthe gentleman will allow me. I mean this,

that these men were pensioned, and we have forgiven the Confederate soldier, as I said yesterday, for about everything except being a Union soldier. Now, four years ago these pensions were allowed, and the country did not think bad of it.

Mr. CONNOLLY. I understand.

Mr. PICKLER. And no Union soldier ever complained of it.

Mr. CONNOLLY. Here is one now that does complain of it.

Mr. CONNOLLY. Here is one now that does complained it.
Mr. PICKLER. He is a new convert.
Mr. CONNOLLY. No, sir; I am not a new convert. I was a
Union soldier a long time, as early as the gentleman, and I stayed
there about as long as any.
Mr. PICKLER. I mean to that doctrine.
Mr. CONNOLLY. No; not to that doctrine. And I say, and
mark my words, that the man who intelligently and deliberately
espoused a cause and fought for that flag until he found its fortunes failing and then deserted it for the cause that he found was
to be successful, that man in his heart is a moral coward, and is
not entitled to consideration from anybody. [Applause.] It is
quite different, sir, with a man who was forced to fight under a
flag that was not the flag of his heart. It is quite different from
the boy who in boyish impulse was carried to fight under a flag
for a time that his heart had no attachment for. In cases of that for a time that his heart had no attachment for. In cases of that kind, when the sober second thought came to him, that man or that boy—and I have no doubt there were many such who had gone as boys into line of battle—when they saw on the other side Old Glory their hearts were swelled, and then and there they resolved that they would leave the ranks they were in and go back to the ranks of Old Glory, where they were born.

In cases of that kind they were welcome, because there never was any change of heart. It was not an act of cowardice when

such men deserted the flag that for a short time they were under; but it was a case where when calm reflection came to them, when they saw the folds of Old Glory, the early affection came back to them, and the moment they could get there they got to it, sheltered themselves under its folds and fought for it. When they took the oath of allegiance once again to the flag they were sheltered themselves under its folds and fought for it. When they took the oath of allegiance once again to the flag they were born under, we welcomed them. It was so in east Tennessee, in the district of my friend Mr. Gibsox, and in North Carolina and in northern Alabama, where there were hundreds and thousands of that kind. There were thousands that were conscripted and forced to fight under a flag they detested. These men on the first opportunity, as I know, and as the gentleman from South Dakota knows, and as the gentleman from Tennessee [Mr. Gibsox] knows, and as many other members of this House know, came under our flag and into our lines and escaped from the thraldom of the Confederacy, which robbed them of their homes, and was trying to rob them of their birthright as free American citizens. We welcomed them, and honor the survivors of them to-day, quite as much as if they had been cradled in the North, for we know full well the heroism and devotion of the loyal men and women of North Carolina and east Tennessee, and the reunited nation will preserve the story of their loyalty and unselfish devotion to the Union of their fathers as an incentive to patriotism for future generations, both North and South.

I propose, Mr. Chairman, to offer an amendment to the first section, which I desire shall at least appear in my remarks. I would amend the section by inserting the word "involuntary" before the word "service," so as to provide that they shall not be disqualified by reason of any prior involuntary service in the armice of the Confederacy. That would cover all classes of cases that I have mentioned, but gentlemen to whom I have suggested this amendment say: "The trouble is, How can they prove that their service was involuntary?"

Mr. Chairman, the law now requires the Federal soldier to prove that their service was involuntary?"

their service was involuntary?"

Mr. Chairman, the law now requires the Federal soldier to prove that he was an able-bodied man when he entered the service thirty and more years ago. How can he make that proof? He is living now in a distant part of the country; the friends of his youth are dead and scattered; those who knew him in his young and stalwart days when he first enlisted are separated and gone. How shall he prove the fact? Is it any more difficult for the man who was forced into the Confederate service to prove that he was so forced than it is for the Federal soldier to prove that thirty and odd years ago he was an able-bodied, strong man, not afflicted with years ago he was an able-bodied, strong man, not afflicted with

mry disease?

Mr. GIBSON. If the gentleman will allow me one minute, I will undertake to explain the difference between the two cases.

Mr. CONNOLLY. You will have time of your own after I get

through.

Mr. FAIRCHILD. Will the gentleman yield for a question?

Mr. CONNOLLY. Yee, simply for a question.

Mr. FAIRCHILD. In the case of those ex-Confederate soldiers are you not raising a question of motive; and how in the world can a man prove, except by his own statement, what his motive was?

Mr. CONNOLLY. No, sir; I am not discussing a question of motive entirely. These are matters susceptible of proof. In all that Southern country, where this class of people lived, testimony can be found, because, as a rule, the survivors live in the same

neighborhoods, and the circumstances and conditions existing at the time these men went into the Confederate service are generally known to those survivors, and are just as susceptible of proof now as the physical condition of a boy who was born in Maine, who entered the Army and served through the war, and who now lives,

say, in Oregon.

Mr. FAIRCHILD. But how can a man's neighbors tell what his motives were when he went into the Confederate service?

Mr. CONNOLLY. They can tell whether he was driven from his home or carried off by conscription, or whether he went voluntarily

mtarily.

Mr. GROSVENOR. As I understand the gentleman, he says that it is impossible for the Union soldier now to prove that he was a sound, able-bodied man when he went into the service at the beginning of the war.

Mr. CONNOLLY. No; I do not say it is impossible; but I do say that it is very difficult.

Mr. GROSVENOR. It is very difficult; and I say it is substantially impossible.

Mr. GROSVENOR. It is very difficult; and I say it is substantially impossible.

Mr. CÓNNOLLY. Yes; in many, perhaps most, cases.

Mr. GROSVENOR. Now, do not you think it would be a little difficult to prove by a man's neighbors what his motive or sentiment was at the time he went into the Confederate service?

Mr. CONNOLLY. Just about as difficult as it is for a Federal soldier to prove that when he went into the Army thirty years ago he was a sound, healthy man.

Mr. GROSVENOR. That is right.

Mr. CONNOLLY. I do not want to make the road any easier for these men than it is for our own boys. I do not want to make a paved road for these ex-Confederates to march up to the Treasury, while my own comrades are compelled to walk over a road while my own comrades are compelled to walk over a road

a paved road for these ex-Confederates to march up to the Treasury, while my own comrades are compelled to walk over a road filled with stumps and quagmires. [Applause.] I want to make it at least as easy for them as for anybody on earth. Now, mark, you, gentlemen, this section as it stands takes in everybody who, ninety days before the surrender of Lee, escaped from the rebel lines and came into ours and joined our Army to get rations and clothing and a little pay. It takes them all in without regard to the motive with which they came.

Now, sir, why not limit the time of their joining our Army to the 1st of May, 1864? At that time there were eleven months of the war yet remaining. The men who came prior to that time could not be said to be men who were heart and soul enlisted in the cause of the Confederacy until they found its banner falling. By the 1st of May, 1864, what were the conditions existing? Sherman was at Ringgold, south of Chattanooga, his army massed and ready, with Joe Johnston at Buzzards Roost, beyond it. The last great movement was begun. Knoxville was free. Longstreet had left to join Lee. Grant was moving to surround Lee at Richmond. Indeed, the grand opening overture that ended in the great climax was already beginning on the great theater of war on the 1st day of May, 1864. From that time on until the truce at Appomattox the god of battles was all the time with our flag. Success followed every movement. Sherman marched onward day by day until he reached Atlanta. From Atlanta he swung eastward, and day by day, in his holiday march, he led his legions to the sea. The great Army of the Potomac, thundering along through the Wildernees, thundering through the timber and over the open plain, finally drove Lee and his legions to the ramparts of Richmond. There, through the fall and winter, they were held as in a grip of iron.

All the World could see when Sherman reached Savannah that the days of the Confederacy were ended. It had been pierced like an eggshell, and its existence was then but a

had cozed out at the fingers' ends, to slip through their lines, come within ours, profess penitence, join our Army, and now get the benefits of this bill. Now, is it right to say of those who stood, as those gray-coated men did stand, for months and years a living wall against every advance that we sought to make, is it right to say that those of them who deserted their ranks within the last ninety days of the conflict and came to us shall, in the matter of pensions, be put on a par with our men who pushed them back and fought them on every field?

Why, sir, those generous, big-hearted men who wore the gray see themselves that such a rule as that is not a proper one. In their own States they care for the men who wore the gray, who

see themselves that such a rule as that is not a proper one. In their own States they care for the men who wore the gray, who bore the heat and burden of that long conflict, and I honor them for their manhood in doing it. It is right; it is humane; it springs from a patriotic and generous impulse. I desire that we shall do the same. But in order to have the privilege of putting the men who wore the blue on as fair footing for pensions, I do not want to be compelled to say that all the "rag tag and bobtail" who in the last days of the war escaped from the army of the Confederacy may now come in and obtain pensions. That is too big a price to pay for getting justice to my own comrades.

Mr. PICKLER. Then, on the same ground, you would not be

willing to give anything to the hundred-days men from the North who came in at the close of the conflict.

Mr. CONNOLLY. Yes, I would; and I will tell you why.

Mr. PICKLER. The gentleman speaks of Confederates who "slipped through the lines" and joined our Army. Sir, Confederates of that sort have been pensioned long ago. The men who will be covered by this bill are those who were in Northern prisons and were induced by our officers to join the Union Army. The trouble with the gentleman from Illinois is that he is not "posted" on this matter.

Mr. CONNOLLY. I admit that I may not be posted. I have not given as much attention to this matter as has the gentleman from South Dakota. But there are some things that I know; there are some things that I believe anybody may know that has a heart in him and a proper spirit as an American citizen, without sitting down in the room of the Invalid Pensions Committee and talking with the gentleman from South Dakota. [Laughter.] One of those things that every man ought to know is that the coward who sneaks away from his flag is not entitled to as much consideration as the brave man that stands up to it and goes down with it.

as the brave man that stands up to it and goes down with it.

[Applause.]

Mr. PICKLER. We all know that.

Mr. CONNOLLY. That is my notion about the matter; and it does not take very long to tell it. Sir, it should be considered too great a concession upon the part of any nation, when those who for years have been lighting against it and who in the last ninety days of the conflict come in and swear allegiance to its flag, to permit them to go on the pension roll of that nation upon the same footing as those men who fought for years under the flag.

Mr. PICKLER. The only objection you have to these men is

Mr. Pickler. The only objection you have to these men is that they were Union soldiers. You have forgiven them for being Confederates, and for everything else, but you will not forgive

Confederates, and for everything else, but you will not forgive them for joining the Union Army.

Mr. CONNOLLY. Why, bless your soul, I forgive them with all my heart; I am glad they got in; but I do not want to go and pay them for it in addition. [Laughter.] It is enough to forgive. If this provision with reference to ex-Confederates were limited to those who came within our lines and joined our Army by the 1st day of May, 1864, when the Confederacy had still a fair fighting chance, when there was still some hope and confidence left in the hearts of the Confederates, I should be willing to presume that the men who by that time had come within our lines did so because their hearts were true to their country's flag.

Mr. PICKLER. How would you ever establish that?

Mr. CONNOLLY. How would I establish it? I would presume it; I would not ask them to prove it. I would presume that those who had come within our lines by the 1st of May, 1864, had been loyal men all the time and had simply been awaiting their oppor-

tunity to join us.

Now, Mr. Chairman, I want to call attenton to section 2 of this bill. Gentlemen have talked about this bill as a measure that bill. Gentlemen have talked about this bill as a measure that will prevent the present system of suspending or discontinuing pensions which have already been granted. I do not agree with them in that construction of the bill. And, mark my words, if it should become a law it will never be carried out in that way, but the suspension or discontinuance will still take place just as it does now. They give the pensioner notice that his pension is suspended, and then they commence (taking their time, even if it be a year or two years) to get the proof that will enable a final adjudication upon the question to be made. Now, I wish to suggest an amendment to section 2. It now provides—

That from and after the passage of this act no pension heretofore granted or which may hereafter be granted under the pension laws shall be reduced or discontinued except—

Then it enumerates the causes for which a pension may be reduced or discontinued—

for fraud, clerical error, mistake of fact, or recovery from disability.

Now, then, suppose the Pension Bureau, by some secret process, has made up its mind that some particular pensioner should be dropped from the rolls, that the pension was obtained by "fraud, clerical error," or that the disability had been cured, what do they do? They send a notice to the pensioner, and the pension is suspended, and the reason is given why. Whatever that reason is, it stops the pension for the time being. Now, the Pension Bureau takes its time to proceed under the provisions of section 4, which provides "that hereafter in the administration of the pension laws all investigations into the merits" of any claim "shall be by question and answer" or information under oath. Now, all of that comes after the pension has been suspended and the pensioner has suffered from the suspension, just as the claims are suspended now.

Now, I suggest there where it provides that any pension shall be reduced or discontinued for fraud, clerical mistake, or mistake of facts, or recovery from the disability, that the words shall be added: "And only after the taking of evidence on notice as hereinafter provided." Then if there be a claim that the pension is

fraudulent, notice is given to the pensioner that they propose to investigate and take proof in regard to that pension, and they start in with their proof, but the pension remains intact while this proceeding is going on. Then at the end of the taking of the proof, if it appears that the pension was properly allowed, the man was never disturbed, as he should not have been. If it turns out that the pension was obtained by fraud, the pension is finally cut off. But it gives him a chance of a hearing. It does not render judgment until after the evidence in his behalf is heard.

Again, sir, at the end of section 5 it is provided that no claims shall be rejected because of the claimant's inability to furnish, as to any material fact in the case, the testimony of more than one credible witness having knowledge of such facts. Now, how much does that change the present condition of the law? That is the simple holding out to the soldier of a promise to the ear to be broken to the hope. The idea that that will reform anything is about like the idea of trying to fill the belly of a hungry man with the east wind. [Laughter 1] It will be just about as thing is about like the idea of trying to fill the belly of a hungry man with the east wind. [Laughter.] It will be just about as effective. The claimant himself now is not considered a credible witness at all. I propose that we should give to him, if you are in good faith, if you mean this to be effective, a provision in this bill that the claimant himself shall be considered prima facie as a credible witness to any material facts. Why not do that? They do not now take the claimant as a credible witness. He goes into the Pension Office discredited the very mount he sleet his coupling. the Pension Office discredited the very moment he files his applica-tion. Every affidavit he makes is required to be confirmed or cortion. Every amount he makes is required to be commed or corroborated by the affidavits of somebody else. Why should not he be a credible witness in his own behalf?

In the courts of every State in the Union, I presume, a man may go into the court in a matter in which he is interested and may be

a witness for himself to maintain that cause, and on the testimony thus presented he may have a judgment of thousands, aye, millions, of dollars rendered in his favor, and collected if collectible. Why, then, when he applies for a pension should not his oath be regarded as good as that of anybody else? Why should he not be regarded as a witness in his own behalf?

I say, then, if we are trying to avoid these evils of construction and of loose legislation in the past, why not make it close by saying here, if you mean it, that the claimant himself shall be con-

ing here, it you mean it, that the claimant himself shall be considered prima facie as a credible witness?

Mr. PICKLER. So he is.

Mr. CONNOLLY. Oh, no.

Mr. PICKLER. Well, the gentleman is a lawyer, and will he say that the Commissioner of Pensions should be compelled to allow a pension because the applicant himself swears to the matter alleged? He is now a credible witness—

Mr. CONNOLLY. No; he is considered a discredited witness at the very beginning.

at the very beginning.

Mr. PICKLER. Not at all; the gentleman is entirely mis-

taken.

Mr. CONNOLLY (continuing). The gentleman knows that his

Mr. CONNOLLY (continuing). The gentleman knows that his testimony is not regarded—
Mr. PICKLER. I beg the gentleman's pardon; it is.
Mr. CONNOLLY (continuing). And no pensioner has ever been able to recover or to obtain a pension on his own affidavit. Mr. PICKLER. Because the law says he shall have one or more witnesses to the facts claimed.

Mr. CONNOLLY. Now, I want him to be considered as a prima facie witness, just as he is in every court of justice through-

out this country

Mr. PICKLER. He is now. The gentleman is entirely mis-

Mr. PICKLER. He is now. The gentleman is entirely mistaken. The only question, and it may be debatable, is whether the Commissioner of Pensions shall be required to allow a pension on the simple oath of the claimant himself. That is what the gentleman is contending for, as I understand his contention.

Mr. CONNOLLY. Yes, I contend that. It has been the custom to talk about these proceedings as being ex parte. The gentleman from Illinois [Mr. Wood] yesterday very properly considered that question. They are not ex parte proceedings. The claimant for a pension is required to do what the plaintiff is required to do in every court in this country. What is that? Go into court and file your declaration, your complaint, your application. These terms are synonymous. In some States the paper is called a complaint, and in other States it is called a declaration. In the Pension Bureau it is called an application. That is your claim. Now, so far the United States is defendant in the pension matter. The man who files the application is the plaintiff. The United States is not required to make up an issue; it is not required to plead. It takes it for granted that the United States denies everything set up in the application until the claimant has filed his proof in support of it.

support of it.

Now, gentlemen say this is ex parte. No. Up to that point it has been ex parte. Then comes the United States. There are no rules of court to force a trial and a judgment this week or next week, or this year or next year. The United States has all the time for a continuance that it wants. It takes months and years, in many cases, to find evidence, raking the country high and low

to find proof that will overturn the proof that is on file in its own

archives, placed there by the applicant for the pension.

Mr. GRAFF. I will ask my colleague whether it is not true that in many cases the nature of the case precludes the obtaining of any other testimony except the testimony of the claimant him-

Mr. CONNOLLY. Very true, sir. Mr. GRAFF. In those cases it works a great hardship under

the present rules

the present rules.

Mr. CONNOLLY. Certainly. Suppose there were a law in any State that a party who had a suit pending against another, and had no testimony except his own, should not be allowed to recover his claim. How would anybody like a law of that kind? How long would the people of any State stand it, with a law of that kind, which should say to any honest man who comes into court with a just claim, "You shall not be allowed to recover, because you can not get the testimony of somebody else who corroborates you as to the justice of your claim"?

Mr. PICKLER, Mr. Chairman, would the gentleman go further than section 5? I suppose he has noticed that section.

Mr. CONNOLLY, That is what I am talking about now.

Mr. PICKLER, Well, the proviso reads:

Provided, That no claim shall be rejected because of claimant's inability to furnish, as to say material fact in the case, the testimony of more than one credible witness having knowledge of such fact.

Mr. CONNOLLY. I would add to that this:

And the claimant shall be held prima facie to be a credible witness.

Mr. PICKLER. That is done already.
Mr. CONNOLLY. It is not done already.
Mr. PICKLER. Yes, it is; and when the claimant finally says he is unable to find any other evidence, the Department then takes up and considers it from that standpoint.

Mr. HARDY. And rejects the claim.
Mr. PICKLER. They do not administer it fairly.
Mr. CONNOLLY. Who is making this speech, I should like to

Mr. PICKLER. The gentleman is making a pretty good stagger at it.

The CHAIRMAN. The gentleman from Illinois declines to yield.

yield.
Mr. PICKLER. I want to correct the gentleman when he says that the claimant is not taken as a credible witness. That is not the fact. He is taken as a credible witness.
Mr. CONNOLLY. Now, Mr. Chairman, I pass from that section to this. I make this suggestion: Here is a rule that has always been a hardship under these pension laws. The man who was received into the service of the United States thirty-old years were accordingly by the surgeons of the United States and pro-

was received into the service of the United States thirty-odd years ago was examined by the surgeons of the United States and proclaimed fit for the duties of a soldier, sworn into the service as a soldier, sworn into the service of the under orders, fought for three or four years, and was wounded or disabled by some disease incurred in the service. Years afterwards he applies for a pension. He is compelled at the outset to prove: "When I was mustered into the service of the United States I was a sound man." Why, did not the United States admit that when she accepted him into her service? Did she not say to him, "You can not come in until my surgeon examines you, until he certifies that you are a sound man and fit for a soldier's duty"?

amines you, until he certifies that you are a sound man and fit for a soldier's duty"?

Mr. HARDY. They stripped him and examined him.

Mr. CONNOLLY Yes; stripped and examined and sounded him. Now, thirty years afterwards, when he comes to apply for a pension, even under this dependent pension act of 1890, he is required to go back thirty years and prove that he was asound man at the time he enlisted. Now, why should that be? Why should not this rule obtain—does not common sense say that it ought to—that when the United States received a man and mustered him into the service that fact should be prima facie proof and always available to that man to show that he was sound when he was so received?

Mr. DINGLEY. If the gentleman will pardon me, is not that to-day the statute law in the Pension Office, that it is prima facie

Mr. CONNOLLY. No, sir.
Mr. PICKLER. I will say to the gentleman that that is the

statute.

Mr. DINGLEY. That is the statute, that it is prima facie.

Mr. PICKLER. Yes.
Mr. DINGLEY, I agree with the gentleman that it ought to a prima facie. But ought it to be more than prima facie?
Mr. CONNOLLY. Would the gentleman make it conclusive? be prima facie. But ought it to be more than prima facie?

Mr. CONNOLLY. Would the gentleman make it conclusive?

Mr. DINGLEY. No, I would not, for my part.

Mr. CONNOLLY. I think it would not be safe to make it con-

Mr. DINGLEY. I think it would not be safe to make it con-

Mr. CONNOLLY. But it ought to be prima facie.

Mr. CONNOLLY. And further, that any disease or ailment the man had at the time he was mustered out of the service should be held prima facie to have been incurred in the line of duty. Now, for all his term of service he was subject to the orders of the United States. He could not get out of that duty voluntarily; but when he comes home now with a disease, he is required to prove that he acquired it in the line of duty. It is not sufficient to say that he acquired it while in the Army. I would suggest, if we are going to do anything of service, that we make that provision in this bill that the disease that he had at the time of his muster out shall be considered as having been contracted in the line of duty, prima facie, subject, of course, to be overthrown

of his muster out shall be considered as having been contracted in the line of duty, prima facie, subject, of course, to be overthrown by proof to the contrary.

Now as to section 13, which has been discussed by many, concerning the granting of pension to deserters. That section provides that anyone who had been in the military and naval service thirty days and honorably discharged therefrom shall, notwithstanding a prior service from which he was not honorably discharged, be entitled to a pension under the act of 1890, provided the disabilities for which the pension is claimed were not incurred while in the service from which the claimant was not honorably discharged.

While in the service from which the claimant was not noncrably discharged.

Under this section as it stands in the bill, the professional "bounty jumper," who enlisted and deserted, and enlisted and deserted again and again for the sake of the public and private bounty which he might thereby obtain, would be made eligible for a pension under the act of 1890.

for a pension under the act of 1890.

Surely there is no public call to open the door for these notorious "bounty jumpers" to be allowed to prey upon the pension fund, as they did upon the bounty funds during the war.

I therefore suggest an amendment to this section so that the pension shall be allowed only to those who neither claimed nor received public or private bounty for the enlistment or service for which the pension is claimed. This would prevent the "bounty jumper" from claiming a pension under this bill.

But it is said there are many cases in which a soldier became separated from his command by sickness or otherwise without his fault after having faithfully served a year or two with it, and then instead of rejoining his own proper command enlisted in some other regiment and faithfully completed this second enlistment, and was honorably discharged from it.

Under such circumstances this soldier must appear on the rolls of his original regiment as a deserter, and yet it seems very harsh now to hold and treat him as a deserter, and deprive him of any opportunity to obtain a pension for wounds or other disability incurred by him in the line of duty either in his first or second term of service.

Extra transcride for the case of such really medications additional contents of the case of such really medications and deservers additional contents.

But to provide for the case of such really meritorious soldiers who are recorded as deserters, when in fact they were meritorious soldiers, and only technical deserters, I would suggest that we revive the act of March 2, 1889, which expired by limitation in 1892, whereby the Secretary of War can be authorized to correct the record of such men by removing the charge of desertion which stands against them, thereby making them eligible to pensions when they are entitled to them otherwise.

By so doing each record of desertion can be disposed of on its own merits; the worthy cases can not be used to assist the unworthy cases, and in our desire to relieve in meritorious cases will not be taking the chance of opening a door for unmeritorious cases to escape from the just stigma of desertion.

Mr. Chairman, I know it was intended by the committee that this bill should only deal with the administrative features of existing pension laws without adding any new class of pensioners to the roll. But to provide for the case of such really meritorious soldiers

the roll.

But, sir, while we are considering the subject of pensions, when we reach the proper place in the bill, I hope no one will object to an amendment I shall propose with reference to a class of soldiers, some of whom are still surviving, who suffered far more than the ordinary hardships of the soldier and who endured them long and heroically.

I refer to those who were confined at Belle Isle, Libby, Florence, Salisbury, Charleston, and Andersonville.

The soldier who faces death on the battlefield does so with full beating pulses, cheered and lifted out of himself by the inspiration of his comrades, by the hope of victory, by the sight of his waving flag, and all the mad. wild pageantry and music of battle.

Death seems wreathed in smiles and is robbed of its terrors at such moments; reason and reflection are stilled, self is forgotten, and the past and future lost sight of in the wild exhibitantion and inspiration of the supreme present.

and the past and future lost sight of in the wild eximiaration and inspiration of the supreme present.

But the soldiers who for long weary months in the suppressed quiet of those fearful prisons had death for their daily and nightly companion—not the glorious death of the battlefield, but the solemn, slow-moving, hollow-eyed death of the glormy charnal house—the death that touched each of them with its clammy fingers from day to day, but dallied with them in their torment and

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refused them the relief that taking them at once would bring the death that kept them from day to day for further torture, like the savage with his captive—the death that robbed them of all that makes life hopeful and, filling them with seeds of lingering, incurable disease, led them to the very brink of the grave and then, refusing them its welcome shelter and surcease from pain, then, retusing them has welcome shelter and surcease from pain, flung them back to us shattered, dismantled human wrecks, doomed to an unequal struggle for existence—these soldiers, some of whom are yet maintaining that unequal struggle, with both death and poverty dogging their halting footsteps, should certainly not be forgotteen by the nation for which they endured

I therefore propose to add to this bill a section pensioning all soldiers who served one hundred days in any of these prisons, or in more than one, and to count the time they may have been away in more than one, and to count the time they may have been away from them in attempting to escape as part of the one hundred days, also the time spent in being transported from one to another of these prisons as part of the one hundred days, and to give them a pension of \$90 a month. That is the pension allowed by law for total disability of all officers above the rank of major. This is a moderate, conservative provision for these men, and it will make no great addition to the amount of the pension roll, but, whether it makes much or little addition, it should be done if we are willing to give pensions to ex-Confederates who deserted their falling cause only ninety days before Lee surrendered the whole hunch cause only ninety days before Lee surrendered the whole bunch

of them.

I suggest the one hundred days' imprisonment, because for a shorter term a man could not be regarded as having suffered anything more than the ordinary casualty of war; but those who were kept in these prisons a longer period than that were generally so detained because the Government was refusing to relieve them by the ordinary mode of exchange.

In the great majority of cases their capture was while they were in the line of duty, generally on the battlefield and without their fault. They endured their sufferings rather than accept freedom on condition of swearing allegiance to the Confederacy. They exhibited the heroism of martyrs at the stake, and accepted the dreadful alternative of death by starvation rather than falter in their allegiance to the Union. in their allegiance to the Union.

Their example of levalty and devotion is worth more as an heroic example to the generations who must maintain our Union in the future than a score of battles won, and the few of them now living should go on the pension roll, which I trust may ever be maintained as a roll of honor.

Bankruptey.

SPEECH

HON. GEO. B. MCCLELLAN.

OF NEW YORK.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 20, 1896,

On the bill (H. R. 6110) to establish a uniform law on the subject of bank-ruptcies throughout the United States.

On the bill (H. R. 6110) to establish a uniform law on the subject of bank-ruptices throughout the United States.

Mr. McCLELLAN said:

Mr. Speaker: The two questions to be considered in discussing this bill are, first, is it constitutional, and, second, is it expedient? The thirteen original colonios failed to adopt, as a part of their common law, the English laws of bankruptcy and insolvency. Many of them, however, enacted insolvency laws of their own. The framers of the Constitution, realizing the importance of uniform bankruptcy laws, provided that Congress "shall have the power to establish an uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States." This would appear to settle the question of constitutionality. As, however, that section of the Constitution does not expressly declare that Congress may "pass" a bankruptcy law, some doubt appears to have existed in the early history of the country as to whether Congress could enact a national bankruptcy law, or could only establish "uniformity" among the bankruptcy law, or could only establish "uniformity" among the bankruptcy law so of the several States.

As early as 1800 the question of constitutionality seems to have been definitely settled, as in that year the first bankruptcy law was enacted. None to-day question the constitutional right of Congress to legislate on the subject of bankruptcy. The bill under consideration is constitutional under the strictest possible construction.

It is one of the cardinal principles of the Democratic party that

struction.

It is one of the cardinal principles of the Democratic party that those functions of government which the individual States can perform as well as the United States should be left to them, and

not taken over by the National Government. It is the principle of decentralization, of home rule. Some of the States have upon their statute books insolvency laws that are far stricter and much more harsh toward the debtor than is this bill. These State laws more harsh toward the debtor than is this bill. These State laws differ so much from each other and are so lacking in uniformity that it is surprising that the original bankruptcy law should everhave been repealed. The business of the country is so enormous, communication between the States is so easy, that for commercial purposes State boundaries have practically disappeared. The question of bankruptcy is one that can be better handled by the National Government than by the individual States.

The first bankruptcy law was repealed in 1803. The second bankruptcy law was enacted in 1843. The third and last bankruptcy law was enacted in 1867 amended in

third and last bankruptcy law was enacted in 1867, amended in 1868, 1870, 1871, and 1872, and was repealed in 1878.

Since 1878, when the last bankruptcy law was repealed, to and including 1895, the failures in the United States have numbered 171,389 (representing liabilities of \$2,611,521,704), a percentage of 1.02 of the total number engaged in business. It would appear that, in view of the enormous liabilities of insolvent debtors during the past seventeen years, justice to them would require that an opportunity be given them of commencing life anew free from the fearful burden of debt which at present in many cases they are unable to remove, and that justice to the creditors would require that they be given the opportunity of sharing equally any

sets of their insolvent debtors.
Under existing conditions when a debtor becomes insolvent the first creditor who obtains knowledge of that fact can secure himself at the expense of the other creditors. Debtors may prefer certain creditors at the expense of the rest, in consequence of which it may almost be said that a premium is placed upon fraud-

ulent failures, and each creditor is virtually the enemy of the other creditors in general and of the debtor in particular. It has been said during this debate that this bill is harsh to the debtor. Gentlemen of my own party have acknowledged the desirability of the voluntary features of this bill, but insisted that sirability of the voluntary features of this bill, but insisted that the involuntary features are oppressive and unjust to the debtor, so much so that these gentlemen oppose the bill as a whole. The bill is not harsh to the honest debtor. It enables him to go into voluntary bankruptcy and distribute his assets pro rata among his creditors, and then, having done all that he can to liquidate his debt, to be discharged and begin his business life anew. As the insolvent debtor class is but little more than 1 per cent of all those engaged in business, it would be manifestly unjust to legislate in favor of that 1 per cent to the detriment of the 99 per cent of solvent business men. of solvent business men.

This bill permits creditors to force an insolvent debtor into involuntary bankruptcy. This may be harsh to the dishonest debtor who desires to escape from the payment of his obligation, reserving the right to become a bankrupt when it may please him to do so; but it must be acknowledged that it is only fair to give the business community power to protect itself. It prevents one creditor from taking advantage of the rest; all share pro rata in the distribution of the assets of the bankrupt.

It has been urged against this bill that creditors will use a bankruptcy law as a means of oppressing the helpless debtor. The interests of the creditor and the debtor are in many ways identical. While to-day a creditor may consider it to his interest to drive a debtor into insolvency so that he may be the first to profit thereby, under this bill it will be for the interest of the creditor to maintain the solvency of the debtor for as long a time as possible

My friend, the gentleman from Massachusetts [Mr. GILLETT], has very eloquently called our attention to the importance of credit in the complicated relations of modern business life. This bill, if enacted, will enlarge credit, for it will increase that essential element of credit—confidence. Every business man to-day who becomes a creditor assumes the risk, in case of the insolvency who becomes a creditor assumes the risk, in case of the insolvency of the debtor, of being absolutely debarred from receiving any share of the assets through the preference of some other creditor. Under this bill, should it become a law, every business man will know when he becomes a creditor that, should his debtor become insolvent, he will receive his share of the assets, and that no other creditor can exclude him from what should be his both by law and continue this should increase confidence and there and equity. Certainly this should increase confidence and therefore enlarge credit.

This bill has been carefully drawn. It is the so-called Torrey

bill amended and improved, and judging from the comments upon it contained in the newspapers and in the many letters which I have received from business men, it seems to meet with the general approval of the business community, especially in that great commercial center, New York City, a part of which I have the honor to represent. It protects the interests of the creditor; it protects the interests of the debtor; it will make fraudulent failures more difficult; it will increase confidence; it will enlarge credit. It is, in short, in the interest of the business men of the country, which is merely another way of saying that it is in the interest of the whole country.

Legislative, Executive, and Judicial Appropriation Bill.

SPEECH

HON. CLAUDE A. SWANSON,

OF VIRGINIA.

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, March 3, 1896.

The House being in Committee of the Whole on the state of the Union, and aving under consideration the bill (H. R. 6248) making appropriations for he legislative, executive, and judicial expenses of the Government for the iscal year ending June 30, 1897, and for other purposes—

Mr. SWANSON said: Mr. CHAIRMAN: I am indeed grateful to my friend from Texas [Mr. Culberson] for yielding me this time, as for many other

courtesies.

This measure now before us embodies a reform which is well needed in the administration of justice in this country. Some time ago I addressed this House upon this question and pointed out the great necessity for this reform. I introduced a bill to abolish absolutely the fee system. I am glad to see my efforts have borne fruit. I want to congratulate the committee upon the nonpartisan spirit in which it has approached so great a measure of reform. I will try not to travel over the ground I went over in my former speech. But there must necessarily be much repetition.

The first question for this House to determine will be, Is it better for the administration of justice in this country to abandon the fee system for the salary system? Upon the determination of that question depends whether this bill should or should not meet the approval of the House. First, we must inquire, Are there any abuses connected with the administration of the present system? If we look at the testimony of people who have administered this system, there can be no doubt about the unanimity of such testimony. Every President of the United States from the time of Grant to the present moment has recommended the abolition of the fee system and the substitution therefor of the salary system. Every Attorney-General, commencing with the Administration of President Grant and coming down to the present one, has recommended this reform and pointed out the glaring abuses istration of President Grant and coming down to the present one, has recommended this reform and pointed out the glaring abuses in the existing system. The present President of the United States has thought the abuses of such magnitude that in two messages to Congress he has dignified this subject by making it a matter of special reference, and asked Congress to enact a reform in this direction. If we go to the leading officers themselves connected with the administration of this system, they all bear testimony to the glaring abuses that exist.

The testimony of every official connected with this system bears evidence to the great scandals connected with the present fee system of the United States Government. If we go further and look at the records of our courts, they also bear testimony to the necessity for great reforms in this direction. Listen. Last year United States marshals were paid upon their accounts for that year aprior years \$1,389,690.31; commissioners, \$452,000; clerks, \$298,000; attorneys, \$427,000. Now, mark this item: Jurors, \$932,170.27.

attorneys, \$427,000. Now, mark this item: Jurors, \$932,170.27.
And mark also this item: Witnesses, \$1,713,162.17. Summing up these items, we find that the expenditures of the courts for the last year amounted to \$5,300,000, and over half of this expenditure was incurred in the payment of fees to jurors and wit-

Now, let us see what was the outcome of these expenditures. Of suits terminated last year in the United States courts there were 2,751 civil suits, and of these 1,060 were decided against the were 2,751 ctvil suits, and of these 1,000 were decided against the United States. What does that prove? It proves that over 40 per cent of the civil suits instituted by the district attorneys were suits that should not have been brought.

Mr. TAWNEY. Will the gentleman state what fee under the present system the district attorney received for prosecuting and trying each of those cases?

Mr. SWANSON. The fees of the United States attorneys in these cases are also as a fee in each case mittle it.

frying each of those cases?

Mr. SWANSON. The fees of the United States attorneys in these cases are taxed, and he receives a fee in each case until it amounts to \$6,000 annually, which he can not exceed.

Mr. TAWNEY. Is not the fee limited to \$20 in each case?

Mr. SWANSON. I think it is; and on that basis 1,000 cases would make \$20,000 of improper charges.

Now, of criminal suits there were terminated last year 25,949, of which 10,521 were nolle prosequied, dismissed, or discontinued. In other words, of the indictments found by the grand jury, and in which it may be assumed the district attorneys did all they could to bring criminals to conviction, forty-odd per cent were dismissed, the parties being found not guilty, or the cases being nolle missed, the parties being found not guilty, or the cases being nolle

prosequied. These figures do not include suits that the commissioner refused to send to the grand jury, nor suits in which the grand jury refused to prefer indictments. The records of the courts will show that over one-half of the suits for which expense in curred in the Federal courts are suits in which there was no suits and which should not have been brought.

nerit and which should not have been brought.

Now, Mr. Chairman, take that view of it and what does it mean? It means that last year \$2,600,000 was paid out improperly for the prosecution of frivolous suits in the United States courts, simply instituted for the purpose of gathering fees for these officers.

But let us see how much money the Government received in

simply instituted for the purpose of gathering fees for these officers.

But let us see how much money the Government received in return for the immense expenditure made on this account. Last year there was received in the compromise of criminal suits \$37,647.61; there was received in collections from fees turned in \$132,055.53, and there was collected in civil suits in compromise cases \$131,696.67, or, in other words, on an expenditure of \$5,300.000 last year there was only received, in the shape of fees in civil and criminal compromises by the courts, less than \$255,000.

Now, go a step further and you will see the more we look into this matter that this very method of making appropriations by Congress for these courts is in itself a glaring abuse. You may make an appropriation this year, we will say, to cover all the supposed expenses, based on the estimates of the Department of Justice. But next year, and before the expiration of the current fiscal year, you are compelled to come in with a deficiency bill and make up by appropriation as much as the original sum appropriated. Why? Because you can not have any possible idea as to what the expenses of the judiciary will be next year. There is no possible way of calculating what it will be, because it is measured solely and alone by the greed and rapacity of the officers who administer the law in their scramble to get fees.

Consequently, Mr. Chairman, the question is presented to us as to whether we can safely abandon the system so full of abuse, so saturated with glaring wrongs, and so redolent of outrages against the liberty and property of the citizens of the United States and adopt a system which will be in harmony with our principles of government and ideas of right. But let us go even further. I regret to say that these are not the greatest abuses. Last year 10,541 of our citizens were arrested and put into the prisoners' dock, subject to all of the expenses and all of the annoyances and disgrace which such a situation entails, when on trial of the cases ordinary employments; conceive of the vast amounts expended in payment of witnesses and their traveling expenses, juries, and then think of the disgrace and worry of innocent people under

then think of the disgrace and worry of innocent people under such a system.

I am glad, therefore, to see that the Committee on the Judiciary of the House of Representatives, in a fearless, brave, and nonpartisan spirit, have had the courage to go forward and endeavor to meet these abuses and effectuate a reform.

My only objection to the bill, although I shall vote for it even though the amendment which I shall offer later on does not carry, is that they have not gone far enough in the abolition of the fee system. There are two defects that ought to be remedied. One in reference to the special or field deputy marshals and the other as to the commissioners. This bill ought to provide that the deputy marshals and the commissioners also should receive salaries instead of fees. This bill fails to put them on the salaried list. It goes marshals and the commissioners also should receive salaries instead of fees. This bill fails to put them on the salaried list. It goes on the idea that if you make the marshal a salaried officer he can exercise over the field marshal his power of removal when he institutes frivolous suits. I admit that it is a great reform and in the proper direction and will do great good; but it ought to be carried a step further by putting the deputy marshal also on a salary. At the proper time, and I hope the chairman of the committee will make a note of it, I want to offer an amendment to provide that the deputy marshals shall be put upon the salary

Mr. BAKER of New Hampshire. L' the gentleman will draw a distinction between deputy marshals and field deputies he will be entirely correct. The field deputies are the only ones now left

on the old system.

Mr. SWANSON. The deputy marshals confined to the office are put on salary; but the field deputies are the ones that do the most work in connection with the commissioners in bringing

Mr. BAKER of New Hampshire. One word more, if the gen-tleman will permit me. The field deputies do not bring the suits. Mr. SWANSON. The field deputies can only execute the writs after the commissioner has issued them, but a deputy can get an informer to go to the commissioner, and he can inspire and incite suits. It is true that he can only execute writs after they have

been issued.

Mr. BAKER of New Hampshire. One word more—
Mr. BURTON of Missouri. The bill, by an amendment which
the committee will offer at the proper time, takes away from the
commissioner any power to institute these proceedings upon the
affidavit of a private citizen.

Mr. SWANSON. That is right. It will destroy to a large extent
the detestable vocation of the infamous spies and informers. Now,
that is a great reform, but the committee should go one step fur-

ther and add a provision like that existing in many State courts, that whenever a prosecution is inspired by malice in instituting frivolous suits, the complainant shall be liable for the costs. You will find that a great many will be debarred by that. Now, as to the deputy marshals, I can see no reason why the entire deputy marshal force should not be put upon salary.

Mr. BURTON of Missouri. Will the gentleman yield for an-

Mr. BURTON of Missouri. Will the gentleman yield for another suggestion?
Mr. SWANSON. Yes.
Mr. BURTON of Missouri. That system was recently adopted in the Indian Territory, and the Department of Justice informs the committee that it does not work satisfactorily. What are called field marshals in this bill simply sit quietly by and take their salaries and do not perform their duties.
Mr. SWANSON. That may be true in the Indian Territory, because in the Indian Territory the United States courts try all local matters and have the combined jurisdiction of State and Federal courts; but if you take away in this bill the power of deputy marshals to bring suits and incite suits and give them simply writs to execute, then they are compelled to execute those specific writs and there can be no dereliction of duty.

Now, it is said there will be too many deputy marshals. It seems to me that we should draw a bill with this amendment, that deputy marshals shall be appointed by the Attorney-General on

seems to me that we should draw a bill with this amendment, that deputy marshals shall be appointed by the Attorney-General on the recommendation of the marshal, and that no more deputies shall be appointed in any district than the district judge and the marshal shall certify to be necessary for the efficient performance of the public business in that district. It seems to me there can be no abuse then. Why? Because the Attorney-General can not appoint any more deputy marshals than the district judge will certify to be necessary for the efficient discharge of the duties in that district. He is not compelled, under a law like that, to appoint as many as are required. Then, when that is done, if too many are appointed—

many are appointed—

Mr. BROWN. United States commissioners are now appointed by the United States circuit judges.

Mr. SWANSON. That is true, sir.

Mr. BROWN. Now, I will ask if it is not true that one great complaint in districts in the South has been that the United es circuit judges appoint too many United States circuit court commissioners

ommissioners?

Mr. SWANSON. That is true.

Mr. BROWN. Now, if you leave to the district judge the appointment of United States deputy marshals, will you not find the same complaint? Why not leave the appointment of the field deputies to the marshals, to be approved by the Department of

Mr. SWANSON. My amendment provides for that.
Mr. BROWN. The bill already provides for that. It already provides that the United States deputy marshals shall be appointed by the marshal, subject to the approval of the Attorney-

The CHAIRMAN. The time of the gentleman from Virginia

has expired.

Mr. CULBERSON. I promised to yield to the gentleman from Tennessee [Mr. Brown] after my friend from Virginia had concluded his remarks. I hope the gentleman from Tennessee [Mr. Brown] will take the floor and yield five minutes more to the centleman from Virginia.

BROWN] will take the floor and yield five minutes more to the gentleman from Virginia.

Mr. BROWN. I will be recognized in my own time later on.

Mr. CULBERSON. Then I yield to the gentleman from Virginia such time as he desires.

Mr. SWANSON. The suggestion of the gentleman from Tennessee [Mr. Brown] was a very good one. He did not catch the amendment that I intended to offer to this bill. I will read it, and I hope the Chair will note it, when the proper time comes, so that I can offer it. that I can offer it.

The amendment which I desire to offer is this:

That the Attorney-General may appoint, on recommendation of each United States marshal, one clerk and one chief deputy, whose salaries shall not exceed \$1,500 per annum each. No clerk or chief deputy shall be ap-

pointed in any district unless the United States district judge shall certify and the Attorney-General be satisfied that such appointment is necessary for the efficient performance of the public business. The Attorney-General shall also appoint, on recommendation of the marshal, such number of deputy marshals for each district as he shall deem necessary for the efficient performance of the public business, whose salaries shall not exceed \$\frac{1}{2}\$, 600 per annum and their reasonable and necessary expenses of travel and subsistence actually incurred while on duty, such expense to be approved by the United States district judge of each district. But the Attorney-General shall in no case appoint for a district more deputy marshals than the United States district judge of each district shall certify to him as necessary for an efficient performance of the public business.

Mr. BROWN. There is the trouble that I spoke about. The complaint against the circuit judges heretofore has been that they have appointed everybody United States commissioners who wanted to be appointed.

Mr. SWANSON. That is true.

Mr. BROWN. Then we have the same complaint in regard to the deputy marshals. The Attorney-General will be compelled and will be bound to appoint everybody the district judges recommend.

mend.

Mr. SWANSON. No.

Mr. BROWN. This bill already provides for appointment of field deputies. It prescribes how they shall be appointed and then their appointments submitted to the Attorney-General.

Mr. SWANSON. No. The gentleman did not catch the force of this amendment. This amendment says that the Attorney-General shall not appoint any number exceeding the number that the district judge shall certify; and it is also provided that he shall not certify any more than necessary for the efficient and economical administration of the law in that district. He is not compelled that he shall not exceed that number. Then this goes further. It provides that he shall not pay a salary exceeding \$1,200. In some counties the deputy marshals might have very little to do, and he could pay him from a very small sum up to not exceeding \$1,200 a could pay him from a very small sum up to not exceeding \$1,200 a

Now, that provision is guarded this way; First, it leaves it to

Now, that provision is guarded this way; First, it leaves it to the Attorney-General; he is to be the judge of the salary. I think that is wise. Why? Because each Department endeavors to be economical in submitting its estimates for approval.

Mr. BROWN. This bill does not limit the amount of compensation in the matter of field marshals, because the Department of Justice would find that in some districts the compensation to be accused by the field marshals would amount to more than \$2.500. earned by the field marshals would amount to more than \$2,500; and in some places they ought to have that much if they earn that

much.

Mr. SWANSON. Now, the view I take of it is this: If you put the amount at \$1,000—and you could make it \$1,200 if that was necessary, but you should work him all the time when this was paid—and pay him his necessary expenses—and that is sufficient compensation for the office—you can get good, efficient men to execute the law. Now, under this provision of mine, as I was proceeding to say, you first leave it to the Attorney-General as to how many there shall be. Then you guard it around by the fact that he can not appoint any more than the district judge will certify as necessary for the economical administration of law in that district. So you guard the Attorney-General, you guard the district judge, by not allowing him to certify more than a certain number, and you have the marshal to make the recommendation of the man. With these three safeguards, I do not see how any legislation can be better guarded. When we come to the commissioners, I want to offer an amendment that I hope the Chair will note. will note.

The gentleman who interrupted me a few minutes ago said there The gentleman who interrupted me a few minutes ago said there was a grievance in connection with the number of United States commissioners who are appointed. When you appoint these officers, whether United States commissioners or deputy marshals, they are going to make a living out of the office. They are going to do it. They are going to make enough to support themselves, and you may as well recognize that fact in dealing with this question. For United States commissioners, this bill provides for their removal and appointment for four years. These the same idea removal and appointment for four years. I have the same idea about them that I have about deputy marshals. I provide in sec-

tion 7 of the bill I introduced:

That the judges of the circuit and district courts of the United States and the judges of the Territorial courts shall divide each district into commissioners' districts, consisting of one or more counties or parishes, and they shall appoint one or more United States commissioners in each commissioner's district as may be required for the efficient and economical execution of the laws. Such commissioners, in lieu of all fees and salary now provided by law, shall receive a salary not exceeding \$1,200 per annum, to be paid quarterly. The judges of the circuit and district courts of the United States and the judges of the Territorial courts shall, before the 1st of July of each year, certify to the Attorney-General the names of the commissioners in their respective districts and the Attorney-General shall fix the salary each is to receive, not to exceed \$1,200 per annum. The Attorney-General'shall have power to increase or decrease the salaries of the commissioners, provided the salary does not exceed the aforesaid sum. The courts aforesaid can remove any of the commissioners for cause, and the Attorney-General may remove any of them whenever he is satisfied that the number exceeds these required for an efficient and economical administration of the law. The fees

earned by the United States commissioners in all civil and criminal cases in taking or authenticating depositions, or as special commissioner by order of court, or as master in chancery, and in all matters of any name incident to their office, when taxed against parties other than the United States, shall be taxed, collected, and paid to the Treasurer of the United States. The commissioners shall make, under eath and to be approved by their respective courts, a statement of all such fees quarterly to the Attorney-General.

Under this provision the district judges and the circuit judges appoint the commissioners, and they send the names to the Attorney-General. The Attorney-General them fixes the salaries of these commissioners, not to exceed \$1,200 a year. The Attorney-General, first, has power to remove any commissioner when he thinks there are more than an economical administration of the law requires. He has the right to fix their salaries each year, at a sum not exceeding \$1,200. Now, in some counties the commissioner would not be required to do enough to pay \$200, and the Attorney-General can designate that the commissioner of that county shall receive for the ensuing year \$200. In some counties the work would not exceed \$500, and he could fix it in the same way; and in some counties not exceeding \$800, and he could also fix it in the same way. This will give power to the Attorney-General to fix the rate of the salaries, to remove anyone where there are too many, and give him power where they do not do any work to say that they shall receive no salary. That removes the objection urged by the gentleman in connection with commissioners.

sioners.

Now, as to the number of these deputies, if you take the number as reported by the Department of Justice and eliminate those who are unnecessary and put those you retain upon a stated salary you will effect a great saving to the Government. The deputy marshals in this country number now about 1,300, I think. Every one of those men makes a living, makes from \$1,000 to \$3,000 to \$3,000 to \$3,000 a year. In my opinion the number of deputy marshals ought not to be greater than the number of deputy collectors for the collection of the internal revenue. A bill passed here a few days ago providing for about 902 deputies for the collection of the internal revenue. Every district in the United States has a deputy collector to attend to the collection of vast sums of money in the form of internal revenue, and I think that an equal number of deputy marshals certainly ought to be able to execute the processes of the courts.

marshals certainly ought to be able to execute the processes of the courts.

It seems to me, Mr. Chairman, that with these two provisions this bill reported by the Committee on the Judiciary would be perfect. If you are going to abolish the fee system, if you think that evils accrue from it, the best way is to destroy the system entirely. I am willing to leave it to the Attorney-General, to the district judge, to the marshal, and to the district attorney of every district, each one being a check upon the other, to take charge of this matter and fix the salaries of all the other officials.

I want to say in conclusion, Mr. Chairman, that this bill is a step in the right direction. It carries relief and reform far in the direction where they are needed, but I think it ought to be amended in relation to commissioners and deputy marshals. With those amendments the entire vicious fee system would be destroyed and every official engaged in the administration of justice would be paid a specific salary. When you make that change you do better, not only for the public but for the officer himself. Why? Because the officer would then be removed from the temptation to use the power with which he is clothed to make money for himself instead of using it for the benefit of the Government and the vindication of violated law. Again, each of these officials would then receive a specific salary regularly, while now some of them have to wait from six to twelve months before they receive any compensation for their labors.

If there is any place where the fee system ought not to exist it is in the indicatry department. Why? Because the indicatry

compensation for their labors.

If there is any place where the fee system ought not to exist it is in the judiciary department. Why? Because the judiciary department is one that should have the complete confidence of every citizen. A citizen, when he is arrested and brought before a commissioner and incarcerated in jail, should feel that the officers of the law have no interest in inciting the prosecution against him or conducting it to a successful termination, except the desire to perform their sworn duties as officers of justice. With the fee system you make every man who is arrested think that he is a victim of the greed of some official who is trying to earich himself at the expense of the man he has arrested and prosecuted.

prosecuted.

Now, if this fee system is as glaring in abuses, as outrageous in practice, as vicious in its administration, as it has been portrayed by the gentleman who has explained this bill, the committee certainly ought to have the courage to go far enough to eliminate the last vestige of that system, and that will be done by putting the commissioners and the deputy marshals upon salaries. I hope, therefore, that the committee will consent to make those amendments and that this House will be courageous enough to wipe out every vestige of a system which has hown itself to be so vicious, as acknowledged by the Department of Justice, by the Committee on the Judiciary, and by everybody who has investigated the subject. I reserve the remainder of my time.

Pensions.

REMARKS

HON. GEORGE W. WILSON. OF OHIO.

IN THE HOUSE OF REPRESENTATIVES.

Monday, April 27, 1396,

On the bill (H. R. 8271) relating to pensions.

Mr. WILSON of Ohio said: Mr. SPEAKER: The first section of the bill authorizes pensions Mr. SPEAKER: The first section of the bill authorizes pensions to Union soldiers who had previously served in the Confederate army, and to their widows, children, and dependent relatives, provided that pensions shall not be granted for disability contracted or incurred in aiding or abetting the late rebellion. This section may not be without objectionable features. It is possible Confederate soldiers enlisted in the Union Army near the close of the war for mercenary purposes only and without expectation of doing valuable services in the Union Army. In such cases, after serving ninety days, the ex-Confederate soldier would be entitled to the benefits of our pension laws; and this would be wrong. But there is another class of ex-Confederate soldiers, who afterwards enlisted in the Union Army because they were Union men and always had been loyal, but were forced to join the Confederate army. There were doubtless many Union men conscripted and compelled to enlist in the Confederate army or suffer imprisonment or death at the hands of the rebel forces and organiza-

and compelled to enlist in the Confederate army or suffer imprisonment or death at the hands of the rebel forces and organizations in the communities in which they lived. I can see nothing wrong in granting pensions to those truly loyal men, who availed themselves of the first opportunities to abandon the Confederate army and join the Union forces because they desired to be loyal. I have not heard anybody state what number of ex-Confederate soldiers enlisted in the Union Army, nor when they enlisted, and how long they served in the respective armies. I am not sure it is wise to enact the first section, but I am not disposed to vote against the bill on account of that section.

is wise to enact the first section, but I am not disposed to vote against the bill on account of that section.

The second, third, and fourth sections provide against the reduction and discontinuance of pensions except for fraud, clerical error, mistake of fact, or recovery from disease; and pensions reduced and discontinued since January 7, 1893, shall be reconsidered and adjudicated upon proper application; and the pension, if restored or allowed, shall date back to time of reduction or discontinuance. If the proof shows the disability occurred subsequent to the filing of the claim the pension shall date from the time the disability occurred. If the claimant dies before his pension is restored or allowed the accrued pension shall be paid as allowed by existing law.

law.

Hereafter investigations into the merits of pensions previously allowed shall be by questions and answers, under oath, in open session, after due notice to the pensioner, who shall have a fair hearing. If fraud is alleged the charges must be written and sworn to, and the pensioner shall have a certified copy, together with the names of persons making the charges, at least thirty days prior to the investigation, and shall be furnished with the names of witnesses by whom it is expected to prove the charges at least five days before the examination. The hearing shall be at the county seat of the county where the pensioner resides, and depositions shall be taken, as near as may be, according to the laws of the States where the witnesses reside.

It seems to me that after a pension has been granted a presump-

It seems to me that after a pension has been granted a presumption arises in favor of the pensioner, and all attempts to deprive pensioners of their pensions should be so conducted as to afford the

tion arises in favor of the pensioner, and all attempts to deprive pensioners of their pensions should be so conducted as to afford the fullest and fairest opportunities for an impartial and thorough investigation into the merits of the pension. I am therefore quite prepared to yield my support to these provisions of the bill.

Section 5 provides that the oaths of enlisted men shall not have less weight than if they had been commissioned officers, and that no claim shall be rejected because the claimant can only produce one credible witness to a material fact. I think, if there ever was any just ground for holding the evidence of a commissioned officer entitled to greater weight than the evidence of enlisted men, the reasons therefor no longer exist. After an officer has left the service there are no longer any circumstances requiring him to be more careful of his conduct than is required of any other ex-soldier. The ex-officer may or may not be more truthful than the discharged soldier, the fact depending not upon rank but upon the character of the man giving the evidence.

The latter clause of the section dispenses with the necessity of two witnesses to a material fact, and I think this provision is well enough, because it is very difficult to find witnesses in many claims. The lapse of time and removals and deaths of the comrades of claimants are great obstacles in the way of procuring evidence in pension claims. I can give this section my vote

without fear of violating any principle which should obtain in a court of justice when the rights of individuals or the Government are involved.

Section 6 simply provides that affiants shall know that the contents of affidavits are in his own language.

Section 7 requires the Bureau of Pensions to furnish a statement

Section 7 required to complete the claim.

Section 8 gives pensioners and claimant and their attorneys the right to examine all evidence and papers filed in pension claims. Section 9 makes the records of the War and Navy Department. showing disabilities to have been incurred or contracted in line of duty, conclusive of the facts.

Section 10 creates a presumption of death from seven years' absence without news or tidings of the missing person; but if the absent person is proved to be alive, a pension granted on account of his death shall cease.

Section 11 recognizes marriages upon proof of living and co-habiting together as such, and makes their children lawful for pension purposes

Section 12 fixes the end of the war of the rebellion on July 1, 1865, for the purposes of administering the pension laws.

Section 13 extends the provisions of the act approved June 27, 1890, to all persons who served ninety days or more in the military or naval service of the United States during the rebellion tary or naval service of the United states during the receiping and were honorably discharged, although such person may not have received an honorable discharge from a prior service. This provision is one of some doubt in my mind. If a soldier was not entitled to an honorable discharge, but subsequently served only ninety days in another organization, he does not present himself in the best possible aspect as a soldier. But there are doubtless may be the provided will accomplish many instances in which the rule here provided will accomplish good results. The section restricts pensions to injuries subsequent to the dishonorable discharge, and makes the final discharge

conclusive of dates of enlistment and discharge.

The section also makes death of a soldier, sailor, or marine while in the service in line of duty equivalent to an honorable

discharge. I think this provision just in all respects.

Section 14 provides that under the act of June 27, 1890, applisection 14 provides that under the act of June 2., 1890, applications for pensions shall be sufficient as to allegation of disability not the result of his own vicious habits, which renders him unable to earn a support, and every disability found to exist at the time of filing a claim, which is recognized as pensionable under the general pension laws, or act of June 27, 1890, shall be taken into consideration in determining the degree of disability, and to into consideration in determining the degree of disability, and to all disabilities pensionable under the general laws the same rate of pensions shall be allowed as under the general laws, not exceeding \$12. And pensions under act of June 27, 1890, shall not be granted unless disabilities amount to at least \$6.

This section embraces important regulations, and so far as I am prepared to express an opinion it is just and will tend to facilitate a better administration of the pension laws. I think it well to give pensioners under the act of June 27, 1890, the benefit of disabilities traceable to their service. A pensioner prefers his claim should be based upon injuries sustained in the Army.

Section 15 relates to rejected claims under act of June 27, 1890, and dispenses with new applications when other evidence is furnished. When the sworn statement of a reputable physician is

nished. When the sworn statement of a reputable physician is filed, showing that a pensionable degree does exist, an order for the applicant's examination before another board of surgeons, if desired, shall issue. If the report of such surgeons and the evidence show the existence of as pensionable disability at the time of filing, the pension, when allowed, shall commence from the date of filing of the rejected application, and if otherwise, from the date when the disability began to exist, as shown by the evidence of the state o

This section affords opportunities for claimants to present additional evidence and protects them from much inconvenience.

Section 16 fixes the amount of net income which will prevent the granting of a pension under the act of June 27, 1890, at \$300. This section will settle a question of much doubt and will tend

to establish a rule which will be uniform.

Section 17 extends the act of June 27, 1890, to persons who served on gunboats, acting assistant and contract surgeons, provost marshals, deputy provost marshals, and enrolling officers who bring themselves within the provisions of the pension laws.

Mr. Speaker, I have reviewed the pending bill quite carefully, and I think it a measure deserving of the support of the friends

of the ex-Union soldiers.

I am not one of those who believe the pension roll is honey combed with fraud. There are doubtless some cases—possibly many cases—into which fraud has crept and persons have been pensioned who are not entitled to pensions. But, sir, these are exceptional cases, and I protest against every effort, from whatever source it comes, to cast odium upon those who constitute the honorable pension roll of the Union armies.

We should guard against abuses, but in doing so we should not be guilty of unjust treatment of those who are entitled to the benefits of the pension laws.

Pensions.

SPEECH

HON. SNYDER S. KIRKPATRICK.

OF KANSAS.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 23, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2271) relating to pensions—

Mr. KIRKPATRICK said:

Mr. CHAIRMAN: The presence of this bill and its solemn consideration in the Congress of the United States is by no means complimentary to the patriotism of the people of this nation. It demonstrates a want of gratitude toward the men who for four long years imperiled their lives on a thousand battlefields that the nation might live, that patriotism is at a low ebb, or that a patriotic people have been deceived in the selection of those whose duty it is to administer the liberal pension laws of this country. That the American people are wanting in gratitude to the nation's defenders I will not concede; it is not true. The mere suggestion that patriotism is on the wane is an insult to a liberty-loving people. No, Mr. Chairman, the nation is not ungrateful to its defenders, and patriotism is unbounded. There is no disguising the fact, the people have been decreased. the fact; the people have been deceived, and are impatiently waiting an opportunity to right the great wrong, and that opportunity will soon come. When it does come, woe unto the party responsible for the wrongs, indignities, and insults heaped upon the gray-haired veterans of the land.

gray-haired veterans of the land.

The discussion of this bill has assumed a wide range, and brings back to us memories, scenes, incidents, and trials of bygone days. Our minds involuntarily run back over that period of our country's history, so full of sorrow, desolation, and death. For four long years, from 1861 to 1865, the most stupendous struggle the world ever knew was waged with a zeal and determination unparalleled in ancient or modern times. The issues involved were the greatest ever submitted to the arbitrament of war, not only involving the very existence of our Government, but that of every involving the very existence of our Government. involving the very existence of our Government, but that of every other Republic as well. The crowned heads of the Old World looked on with amazement while the struggle progressed, resulting that the fate of self-government hung in the balance. That we may comprehend the magnitude of this struggle, and have a proper appreciation of the heroic services of those who stood between us

and treason, I want to invite your attention to a few historic facts.

The total number of men enrolled in the Union Army during the four years of the war of the rebellion was 2,778,304. Of these (including regulars) there were killed in battle 110,170; died of disease (not including those who died in prison), 199,720. The total deaths from all causes, 359,528. The number of deaths from disease was remarkable before the contract the number of deaths from disease was remarkable, being more than double the number from battle. Part, at least, of this extraordinary loss of life by disease was due to the severity of the campaigns. The extent of the territory marched over was immense. Some of the campaigns were made under a tropical sun and some of the battles fought amid the snows of winter. The Ninth Army Corps fought on the Carolina coast and then marched 1,000 miles westward to the fever-smitten camps of Vicksburg. The Twelfth Corps, after fighting two years in Virginia, moved to Tennessee, from which it fought its way through Georgia to Atlanta, marched from Atlanta to the sea, and thence northward to its old battle grounds, having encircled half a continent. Men from the woods of Maine camped 2,000 miles distant, along the bayous of Louisiana. Men from the prairies of the Northwest toiled and battled among the everglades of Florida and along the Guif. Human endurance was often taxed to its utmost, and the restless, moving armies left in their wake a line of countless graves.

History will never record, language can not express, and the human mind can not comprehend the hardships, the suffering, the trials, thesorrow, and the heartaches endured by those participating in that great conflict, and their loved ones at home. I thank God that peace finally came, with the Union restored, the nation's supremacy established, slavery abolished, and Old Glory supreme in the skies. [Applause.] Allow me in connection with this to call your attention to another event which occurred thirty-one years ago. It was the triumphant march of that victorious army in grand review down Pennsylvania avenue next this Cantile after in grand review down Pennsylvania avenue past this Capitol after the surrender of Lee at Appomattox. It was an imposing scene, ever to be remembered by those who witnessed it. I fancy I can see that heroic army, careworn and dusty, with their sunburnt faces, as they moved down this historic thoroughfare with their tattered battle flags kissing the breeze of that April morning, and hear their shouts and huzzas as they passed the grand reviewing stand. In that triumphal march as they approached this building their eyes fell upon a great banner; it was placed there by the direction of the immortal Lincoln himself, and upon it was inscribed these words: "This nation owes but one debt it can never pay, the debt to the soldiers who saved the Union." Ah, Mr. Chairman, if the spirit of Abraham Lincoln could touch the hearts of those in control of the Pension Bureau this bill would not be

Thus closed a struggle unparalleled in the history of the world; a struggle in which, on the Union side alone, 110,070 men were killed in battle, while 249,458 died from disease, accident, in military prisons, or from other causes. Including both sides, more than 500,000 lives were lost. There have been wars which lasted longer—wars with intermittent, desultory campaigns—but in this struggle the two contending armies for four years never let go their clutch upon each other's throat. For four years the echo of the pickets' rifle never ceased. As a consequence of this prolonged and deadly conflict our land was filled with grief and sorrow—mothers weeping for sons, wives for husbands, and children for fathers that never returned. Every neighborhood had its mourning widows and orphan children. The maimed and wounded could be seen upon every hand. Added to this distressed condition, our country was involved in a debt of \$2,800,000,000. Notwithstanding the overburdened condition of our Treasury, Congress, in obedience to the patriotic demands of the people,

Notwithstanding the overburdened condition of our Treasury, Congress, in obedience to the patriotic demands of the people, made suitable provision for pensioning our deserving heroes, their widows and orphans.

These pension laws have from time to time and from year to year been expanded and broadened until to-day we have the most liberal pension laws on the face of the globe. Ours is the only country in the universe where it is possible for the private soldier who served in the ranks to receive a pension of \$1,200 per year nucler general law. Under the liberal and patriotic provisions of our pension laws thousands, yea hundreds of thousands, of our nation's defenders have received the generous bounty of this great country; and it has been administered with a liberal hand. There was paid to these old veterans, their widows and orphans, during the fiscal year ending June 30, 1893, \$156,740,467.14. The number of persons on the pension roll June 30, 1892, was \$76,068. Subsequent thereto, and during that year, there was added to the pension roll 121,000 names. And I may be permitted to suggest to the Democratic side of this House that this was before Hoke Smith and Lochren's day. [Laughter.]

the Democratic side of this House that this was before Hoke Smith and Lochren's day. [Laughter.]

During the year ending June 30, 1894, there were added to the pension roll 41,483 additional names. And I again repeat, our pension laws are liberal and acceptable to the defenders of the nation. I now propose to state a proposition that can not be gainsaid on this floor, a proposition in which every Republican in this nation should take pride—that each and every one of these liberal pension laws was written upon the statutes of this country by the party of which I have the honor to be an humble member, and over the objection and protest of the Democratic party. [Applause.]

by the party of which I have the honor to be an humble member, and over the objection and protest of the Democratic party. [Applause.]

I do not mean to say, nor will I say, that no Democratic party as a party, while talking in favor of liberal pensions, have always voted the other way. And I again repeat that the Republican party has always been, and now is the friend of the old veteran. This claim is verified by every pension law upon the statute books from July 14, 1862, to the present time. The Democratic party makes the same claim, forgetting (if it ever knew) the test prescribed over nineteen hundred years ago: "By their fruit shall ye know them." [Applause.] I invoke this test, and call upon the gentlemen on the other side of this Chamber to point to one single act pensioning the veterans of the late war that their party, as a party, ever advocated or supported.

In 1892 a political cyclone swept over the nation, as the result of which the Democratic party was placed in full control of the executive and legislative branches of this Government. It differed from the ordinary cyclone in this, that the wreck and ruin attending it did not manifest itself until the next year. That it was more destructive and broader in its scope than the ordinary cyclone is conceded by all, and that it is not likely to be visited upon us again while this generation lasts is, to say the least, quite consoling. Strange as it may seem, hundreds and thousands of our old veterans contributed by their votes directly and indirectly to this result, unconscious apparently of the fate in store for them. They were like the young lady of Niger who went riding on the back of a tiger; her face it wore a smile; when they returned from the ride the lady was inside, and the smile was on the face of the tiger. When I realized the determination of these old veterans to place themselves in this predicament I felt like repeating the prayer of the Saviour of mankind at the crucifixion: "Father, forgive them; they know not what they do." It is unnec

ing through Georgia," but during the past three years Georgia has been marching through them, as the records fully show. During the year ended June 30, 1893, there were dropped from the pension rolls in this country 2,296 pensioners. This does not include the names of those dropped by reason of death, remarriage, or minors reaching the age of 16 years. These persons were dropped simply and solely because the Pension Bureau in overhauling these cases reached a different conclusion than that announced at the time the claim was passed upon. It should be remembered in this connection also that the Democratic party assumed control of this Bureau March 4, 1893.

In the year ending June 30, 1894, there were dropped from the

Bureau March 4, 1893.

In the year ending June 30, 1894, there were dropped from the pension roll 5,233. There were also dropped from the roll during the year ended June 30, 1895, for the same reason, 9,680, making a total dropped to June 30, 1895, of 17,209. What the present year will disclose, in the absence of the report, I am unable to state, but I have no doubt it will not fall behind the record of the preceding year. These figures do not include pensioner reduced, but represent the number entirely stricken from the roll. These are some of the fruits by which we may know them. If this is the party that is the friend of the old soldiers, I fancy I can hear them exclaim, "Lord, protect us from our friends!"

Mr. Chairman, this is not all of the fruits of this Administration in pension matters. During the year ended June 30, 1895.

exclaim, "Lord, protect us from our friends!"

Mr. Chairman, this is not all of the fruits of this Administration in pension matters. During the year ended June 30, 1895, 103,355 claims were rejected, while on the 1st day of July, 1895, there were pending, undisposed of, 552,210 pension claims in this Bureau. Of these 210,765 are original claims of parties who have never been placed upon the pension rolls and who have never received a dollar. This ought not to be so, and if the Pension Bureau would manifest more zeal in putting some of these upon the roll and less in striking others off its action would meet the hearty commendation of these old veterans. [Applause.] The action of this Bureau is extraordinary and unprecedented, and has called down upon itself the condemnation of every old soldier in the land. It has sent consternation into many thousands of humble homes. A letter bearing its frank fills the pensioner's heart with sorrow and anguish, and he opens it with fear and trembling lest the little pittance that stands between him and hunger is to be arbitrarily taken away. The condition to-day of hundreds and thousands of our soldiers has been well expressed by Joseph G. Waters, of Topeka, in a letter to my colleague, Hon. Dick BLUE of Kansas, calling his attention to a special bill pending before the Committee on Invalid Pensions in behalf of one Wallace McGrath. I desire to quote from that letter.

Speaking of Wallace McGrath, Captain Waters says:

Full six foot two, with head in air,

Full six foot two, with head in air, And straight as shaft or column, Without a blemish, hurt, or care, And never glum or solemn.

Behind the drums he marched away, A thousand others going, To fields where waiting foemen lay and blood would soon be flowing.

The very devils in his soul, Leashed to the fife's slow meter, Impatient heard the muskets' roll And vomit their saltpeter.

Through all the long and hard campaigns, Up hills and down the valleys, Where smoking guns drove narrow lanes Through ranks that made the sallies.

I once, long years ago, was told— It's Gov'nor Martin's story— This man, so true, so brave and bold, Did once a thing of glory.

Of all the men who climbed the crest Where Bragg had his headquarters, He was the one who led the rest Above the crimson slaughters.

The war is past, and Peace, secure, Points upward with its moral, And long as centuries endure The soldier wins his laurel.

Not so, Dick Blue! That man, they say— This is not strange or novel— Is at the Soldiers' Home to-day, His loved ones in a hovel.

Lame, paralyzed, and desolate, His sunset glow of glory, Infirm and old, left to his fate, And, BLUE, this ends his story.

Mr. Chairman, I want to enter my solemn protest here and now against these outrages, and to warn the Democratic party that a cyclone is gathering from the Atlantic to the Pacific, from the Lakes to the Gulf, that will sweep it from place and power. These old veterans are eagerly watching and impatiently waiting for the opportunity to set the seal of their condemnation upon the party that has so grossly deceived and outraged them; and that time will soon appear. What is the purpose of the bill under consideration? Is it a bill to extend and broaden the pension laws? By no means; it is simply administrative in its character.

It is intended to correct some of the evils and abuses of the Pension Bureau. Its design is to simplify the practice, to abolish technicalities, and make it possible for the claimant to obtain that which is so justly due and from which they have so long been deprived. In other words, it is an effort to compel by law a Democratic Administration to allow pensions, and its necessity was occasioned by the mistake of 1892. I must confess that the bill is open to criticism in some respects, and that many of its provisions do not fully coincide with my views: nevertheless it is a story in It is intended to correct some of the evils and abuses of the Penopen to criticism in some respects, and that many of its provisions do not fully coincide with my views; nevertheless it is a step in the right direction, and I will support it by my vote. I introduced a bill in this House early in this session that I would like to see enacted into law, as I feel confident it would meet the hearty approval of the old veterans themselves. The first section of this bill is as follows:

That no person otherwise entitled to a pension by virtue of any law of the United States shall be disqualified from receiving the same by reason of any prior service in the Confederate army or navy during the war of the rebellion, nor shall the widow, children, or dependent relatives of such person be deprived of a right to pension by reason of such service. Provided, That no pension shall be granted by virtue of this section for disability contracted or incurred while aiding or abetting the late rebellion against the authority of the United States.

I may say with reference to this section that I have no desire to I may say with reference to this section that I have no desire to exclude from the pension rolls a man solely on the ground of his previous service in the Confederate army. We all know that many by reason of their environment enlisted in that service either through compulsion or for the purpose of escaping to the Union side, and did so escape and join our Army the very first opportunity. I do not, however, believe that the Confederate soldier who abandoned his cause when all hope of success had vanished and entered the Union Army when the struggle was practically over is entitled to receive the bounty of this Government, and for that reason this section of the bill should be modified in this respect. Section 2 of the bill reads as follows: the bill reads as follows:

SEC. 2. That from and after the passage of this act no pension heretofore granted or which may hereafter be granted under the pension laws shall be reduced or discontinued except for fraud, clerical error, mistake of fact, or recovery from disability: Provided, however, That nothing herein contained shall be construed to entitle any person to more than one pension, or as allowing more than one pension for the same service, nor to affect or enlarge the pension rights of widows and others under sections 4702, 4706, and 4708 of the Revised Statutes of the United States and acts supplemental to and amendatory thereof.

This section, in my judgment, will not meet the expectation of its author, and is open to serious criticism. I am one of those who believe that the pension certificate in the hands of the old veteran should be as sacred as the bond in the hands of the bondholder and should be clothed with all of the privileges of a vested right. The old soldier should be as secure in his pension when the certificate is once granted as he is to the land to which he holds the patent of the Government. The allowance of the pension should have the force and effect of a judgment rendered by a competent court, and should only be set aside for actual fraud, in a proceeding based upon an accusation under oath judicial in its character, and with reasonable opportunity to defend. This section permits the Pension Bureau to set aside the pension for a mistake of fact in its allowance, or for the reason that the pensioner has recovered from his disabilities.

These are dangerous provisions, and more especially when in-

sioner has recovered from his disabilities.

These are dangerous provisions, and more especially when intrusted to an unfriendly Bureau. It will be observed that the Bureau is the sole judge, and the pensioner is at the mercy and subject to the whim and caprice of the Commissioner of Pensions. Under these provisions the present Bureau will undoubtedly hold that every person stricken from the pension rolls during the past three years falls within one or the other of these provisions. I want to warn my Republican friends of the danger of permitting these provisions to remain in this bill. We should prohibit in the most positive terms the Pension Bureau from striking from the roll a single pensioner except for fraud, clearly established in a judicial proceeding, in which the fullest opportunity to defend is offered. Nothing short of this will protect the pensioner from the ourages of which he now so justly complains and bring to him that peace of mind so desirable in his declining years. I will now invite your attention to section 3 of this bill, which reads: invite your attention to section 3 of this bill, which reads:

SEC. 3. That all pensions reduced or discontinued since January 7, 1893, shall, upon application, be reconsidered and adjudicated in accordance with the provisions of this act, and the pension, if restored or allowed, shall comence from the date of such reduction or discontinuance, or from the date subsequent thereto at which the disability is shown by the evidence to have existed: Provided, That in the event of the death of the pensioner after such reduction or discontinuance, any accrued pension that may be found due under this section shall be paid as provided by existing law in cases of death.

This section, if administered in a patriotic spirit, will restore to the pension roll thousands heretofore dropped, and will enable them to recover their pensions from the time they were stricken therefrom. This is a simple act of justice to those who have felt the blighting hand of this unfriendly Administration. But if administered by an unpatriotic and unfriendly Commissioner we can not hope for such results. I will next take up section 4, which is

SEC. 4. That hereafter, in the administration of the pension laws, all investigations into the merits of any pension previously allowed shall be by question and answer, under oath, in open session, after due notice to the person or persons who may be affected thereby to be present personally or by attor-

ney; and such person or persons shall have the right to cross-examine and a fair and full opportunity to rebut or substantiate any facts alleged or disputed: Provided, That when fraud is alleged the allegations shall be reduced to writing and under oath and the person or persons affected thereby shall be furnished with a certified copy of the charges made, together with the names of the persons making the same, at least thirty days prior to such investigation, and shall be furnished with the names of the witnesses by whom said charges are to be proved at least five days prior to their examination, such investigation to be conducted at the county sent of the county in which the person affected resides, and the depositions of witnesses residing outside of said county shall be taken as near as may be in accordance with the practice of the State or Territory in which said witness resides.

With reference to this section I will only say its phraseology is

With reference to this section I will only say its phraseology is peculiar, and the procedure not as well defined as it should be, still with a fair interpretation it will doubtless prevent many pensioners being dropped from the rolls. I will now invite attention to section 5, which reads:

SEC. 5. That in the administration of the pension laws the oath of a person who has served as a noncommissioned officer or private shall not have any less weight than if such person had served as a commissioned officer: Provided, That no claim shall be rejected because of claimant's inability to furnish, as to any material fact in the case, the testimony of more than one credible witness having knowledge of such fact.

This section, barring its peculiar phraseology, is free from criticism and will meet the approval of the old soldier. Under this section no distinction can be made in the testimony of a private soldier and that of an officer solely on account of rank, but the most important provision of this section is that which requires the Bureau to accept the testimony of one credible witness where two or more heretofore have been required. Many claims have come under my observation since I have been here where the claimant is unable to furnish the affidavit of more than one credible witness to the time, place, and circumstances under which his disability was contracted or incurred, and thousands of claims are now held in the Pension Office for this reason. This provision has my unqualified indorsement, and I fully commend it to this

Section 6 meets my approval, and is as follows:

SEC. 6. That in the administration of the pension laws an affiant shall be required only to make oath that said affiant has read or heard read the subscribed affidavit, that the same was prepared in his or her presence at his or her dictation, is in affiant's own language, and that the matters and things therein stated are true.

This section prescribes the form of affidavits to be used in pension cases, and is intended to annul, abrogate, and abolish that intricate, complicated, unpatriotic, and wicked Order 229, devised, designed, and intended to vex, annoy, and harass those applying for pensions, and to hinder and delay them in procuring the same. The name of the author of this remarkable order will doubtless never be known, but it is the legitimate child of a Democratic Bureau, and in order that future generations may be able to properly interpret the political history of 1896, when they come to read it, I will incorporate this order in my remarks:

[Order No. 229.]

DEPARTMENT OF THE INTERIOR, BUREAU OF PENSIONS, Washington. D. C., June 19, 1893. In the preparation of testimony in support of claims in pension cases all statements affecting the particular case and not merely formal must be written, or prepared to be typewritten, in the presence of the witness, and from his oral declarations then made to the person who then reduces the testimony to writing, or then prepares the same to be typewritten. And such testimony must embody a statement by the witness that such testimony was all written, or prepared for typewriting (as the case may be), in his presence, and only from his oral statements then made; stating also the time, place, and person, when, where, and to whom he made such oral statements, and that in making the same he did not use and was not sided or prompted by any written or printed statement or recital prepared or dictated by any other person and not attached as an exhibit to his testimony.

Any needless delay in the preparation of such testimony after such oral statement by the witness or in forwarding the same to this Bureau and any material alteration or erasure will be cause for rejecting such testimony.

WM. LOCHREN, Commissioner.

Approved: Hoke Smith, Secretary.

Section 7 is important, and corrects an evil that should never

have existed. The section reads:

SEC. 7. That all notifications from the Bureau of Pensions as to the status of any case shall set forth each and every fact upon which further evidence is required to complete the same.

Section 8 is both wise and timely. It will protect the pensioner against that class of cowardly assassins whose morbid natures induce them to make false and malicious charges against the unsuspecting old veteran with the hope of having his name dropped from the pension roll with the assurance that their false, wicked, and cowardly communications will be held sacred by the Pension Bureau, thus shielding them from public censure and condemnation. The section is as follows: The section is as follows:

SEC. 8. That all papers, memoranda, writings, letters, or exhibits received by the Bureau of Pensions relating to any pension or claim shall be preserved and filed with the papers in said case, and every pensioner or pension claimant shall have the right, in person or by attorney, to examine and inspect each and every such paper, memorandum, writing, letter, or exhibit which has any reference to or bearing upon his or her pension or claim.

This section should not stop here, but should embrace all such communications heretofore received. I make this suggestion, for I am informed and believe the fact to be that on the convening of this Congress all of these pension files passed through what is

know as the shucking process, whereby communications of this character were abstracted therefrom. Justice demands that these unpatriotic and cowardly methods be exposed to the light of day, and that these cowardly spies be exposed to the gaze of an

these unpatriotic and cowardly methods be exposed to the light of day, and that these cowardly spies be exposed to the gaze of an cutraged people.

Section 9 simply provides that the records of the War and Navy Departments showing disabilities to have been received and contracted in the line of duty shall be conclusive of that fact. Section 10 simply declares that the common-law presumption of death after the lapse of seven years shall apply in pension cases. Section 11 relates to proof of marriage, making continuous cohabitation prima facie evidence thereof. Section 12 fixes July 1, 1865, as the date on which the civil war ended. Section 13 extends the act of June 27, 1890, to persons who served ninety days or more and received an honorable discharge, notwithstanding a prior service in which the soldier was not discharged, and that the death of the soldier while in the line of duty shall be equivalent to a discharge. Section 14 requires the rating under the act of June 27, 1390, to conform to the act of July 14, 1862, up to the maximum of \$12 per month, and that all disabilities found to exist shall be combined in fixing the rate of the pension, and further procombined entitle the pensioner to \$6 per month.

This section will be appreciated by the pensioners; it restores the ruling of Commissioner Raum, and is manifestly just. Under the ruling of the present Bureau the pension is denied unless some one of the disabilities in and of itself justifies a rating of \$6 per month.

Section 15 provides for the reopening of any claim rejected under the act of June 27, 1890, without filing a new or supplemental declaration, and fixes the time when the pension shall commence if allowed.

mental declaration, and fixes the time when the pension shall commence if allowed.

Section 16 construes the term "without other means of support than her daily labor," used in the act of June 27, 1890, to mean without a net income of \$300 per annum. This section will be hailed with joy by thousands of widows now deprived of their pensions under the rule established by the present Bureau, which denies the pension where the income exceeded \$8 per month. Now, Mr. Chairman, I have discussed in my humble way every feature of this bill, and while I have criticised some of its provisions I look upon it as a measure of much importance to the old soldiers of this country and shall gladly record my vote in its favor. I would like to see section 1 of the bill introduced by myself substituted for the first section of this bill. It provides in substance that every soldier, sailor, or marine received or accepted into the service of the United States in the war of the rebellion shall be conclusively presumed to have been sound, able-bodied, and free from disease at the time of such acceptance.

Mr. SULLOWAY. That is right.

Mr. KIRKPATRICK. Of course it is right. I can conceive of nothing more unjust than to deny one of these old veterans a pension on the theory that he was unsound when he entered the service. I do not care whether he was sound or not when he entered the service; he offered his life in the defense of his country; the Government inspected and accepted him, and it is manifestly unjust now to say, and the Government ought not to be permitted to say, that he was unfit to be a soldier. That long march and the battlefield are his witnesses, and their testimony is conclusive.

Mr. Chairman, I might offer many other suggestions along this line, but I have already occupied too much time. No man regrets

march and the battlefield are his witnesses, and their testimony is conclusive.

Mr. Chairman, I might offer many other suggestions along this line, but I have already occupied too much time. No man regrets more than myself the necessity for this bill; but the Republican party never turned a deaf ear to the appeals of the nation's defenders and never will. [Applause.] There never was a time in the history of this country when there was so much uneasiness, distrust, and alarm among our pensioners as to-day. There never was a time when they felt so much insecurity as now, for they know not what a day may bring forth. We realize that this bill will not afford that security and peace of mind so earnestly desired. We confess our inability to enact a law that will secure a liberal and patriotic administration of the pension. In order to do this we must be able by law to change the hearts of those in controlled by a party that does not believe in pensions. In order to do this we must be able by law to change the hearts of those in control of the Pension Bureau, as well as to inject into the veins of the Democratic party a generous supply of patriotic blood. This being impossible, there is but one remedy left to the old soldier, and that is to drive from place and power the party that has deal to unpatriotically and unjustly with him.

The gentlemen on the other side of this Chamber are following the same hypocritical course with reference to this bill that has characterized their actions since 1865. They pretend that they are in favor of liberal pension legislation, and yet no bill has ever been offered proposing either special or general legislation in the interests and behalf of the old soldiers of this country that has the measure may be, it meets their combined opposition. When a private or special bill is offered for the relief of some old veteran whose pitiable condition appeals to the sympathy of all, they re-

fuse to support it, under the shallow pretense that it is unjust to others similarly situated.

fuse to support it, under the shallow pretense that it is unjust to others similarly situated.

I affirm in the presence and hearing of overy Democratic member on this floor, and with the records at their command, without fear of contradiction, that the Democratic party has upon this floor opposed every measure to pension the soldiers of the late war from 1861 to the present time; and that each and every one of our pension laws have been placed upon the statute books of this country by the Republican party and over the opposition of the Democratic party; and I challenge any gentleman here to put his finger upon a single pension law that contradicts my statement. I will venture the further assertion that this bill will not receive three Democratic votes, with all of their talk about justice to the old soldier. Do gentlemen suppose that they can deceive the people further by their sham pretenses and ulterances in the face of a record of opposition for thirty years? Why not vote for this bill, it is the only measure can be devised more equitable in its terms we assure you that it shall have our hearty support?

Now, want to make another prediction, notwithstanding the remarks of the gentlemen and their clamor for a service pension, that when such a bill is presented it will not receive 5 votes on that side of the House. Like all measures, it will not be the kind of a service pension they desire. You flippantly ask why we do not report a service-pension bill. In answer to that I want to say that we now have under consideration in the committee a bill of that character which will be reported to this body in a few days. But I have no doubt, when it comes up for consideration, your side will insist that it is unjust to some other class of soldiers and will refuse to support it. And, again, I might suggest to you remember, it 1892 he people of this country listened to the siren voice of Democracy, and unwisely placed the destinies of this nation under Democratic outrol. Our protective system paralyzed every industry, o

crippled and paralyzed industries will resume their former activity, business will revive, and the wage earner will find abundant employment at a remunerative price, unfettered by the competition of the Old World. When that time comes, and it will soon come, there will be no dickering with syndicates to sustain the nation's credit, no borrowing of money to meet the current expenses; our Treasury will be filled with tribute levied on the commodities of other climes. When that time comes, if not before, we will speedily pass a service-pension law, the most liberal and generous in its terms found upon the statutes of any country on earths will our Democratic brethren then join us in bringing about this patriotic measure? Judging from the past, I should say no. I will therefore suggest to them to stand still and they will see the analystion of the Lord. [Applause.]

Filled Cheese.

REMARKS

HON. WINFIELD S. KERR,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 15, 1896,

On the bill (H. R. 8008) defining cheese, and also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of "filled

Mr. KERR said:

Mr. KERK said:
Mr. Speaker: I should not delay final action upon this bill even
for the brief time which I shall occupy were it not for the fact
that a large number of my constituents are engaged in the manufacture and sale of genuine cheese, and that they need and are

entitled to the protection of a law which will strip the disguise from spurious competitors and compel every product to enter the market upon its own merits and for what it is. All laws from spurious competitors and compet every product to enter the market upon its own merits and for what it is. All laws are, to a greater or less degree, an abridgment of liberty—so all trade regulations encroach more or less upon the freedom of business—but they are nevertheless necessary to secure its honest or orderly transaction. I concede that on a cursory reading of this bill, and at first blush, it would seem especially onerous and burdensome upon those coming within its provisions, but a careful consideration and enumeration of the things required, aside from the tax, will remove that impression and demonstrate that no especial hardship is entailed. In determining whether a law should pass or not we should keep steadily in mind the evil at which it is directed, the vice which it is to cure. It must be borne in mind that the business at which this bill is directed has projected itself upon the people under false pretenses; it has worn the cloak of deceit; it has declined to meet an honorable competitor in an honorable way in the markets. I do not mean to do any man or combination of men injustice; therefore I say that I presume not all the manufacturers of "filled cheese" should be thus characterized, but the evil is sufficiently prevalent to not only justify but ized, but the evil is sufficiently prevalent to not only justify but

to demand relief.

It is no sufficient answer to this legislation to say that "filled cheese" is not deleterious to health. But if it is not it seems inexcheese" is not deleterious to health. But if it is not it seems inexplicable that with such charge being made and the burdens of this law impending that only one person should have appeared before the committee against the measure. But, however that may be, and the committee seems to have left it unanswered, the law has accure foundation in other reasons. The power of Congress under the Constitution to legislate on this subject is clear, it seems to me. The internal-revenue taxes, and their method of collection, upon liquors, tobacco, cigars, and as they were formerly levied upon a hundred articles, are in all substantial respects as they are levied here. That these articles are luxuries or vices does not at all affect the power. Formerly taxes by stamps were levied or collected upon friction matches, bank checks, and other things, all very important, altogether legitimate, and absolutely essential under this same constitutional authority. This year, under an unquestioned law of Congress, 66,000,000 pounds of oleomargarine paid an internal-revenue tax of \$1,328,000.

It is urged that this is a legitimate business and ought not to be discriminated against and burdened. So is the distilling of liquor,

discriminated against and burdened. So is the distilling of liquor, so far as the National Government regards it, a legitimate business, and so the brewing of beer, the making of tobacco and cigars,

ness, and so the brewing of beer, the making of tobacco and cigars, the drawing of bank checks, yet all fell within this power and do or did bear the burdens of taxation.

Every State in the Union, I presume, has laws to protect its people against deception from adulterated food products. Ohio has an elaborate and successful system of pure-food laws. These laws do not rest upon the sale nor essentially upon the ground that adulterated articles are deleterious to health. That is one of the reasons for their existence; but they rest upon the broader foundation that the people are entitled to protection against fraud and decait. Oleomarcarine may taste as well and be as healthful as and deceit. Oleomargarine may taste as well and be as healthful as dairy butter; but an individual who supposes he is buying butter and gets oleomargarine is defrauded. So the individual who supposes he is buying "full cream cheese" and is given "filled cheese" is defrauded and deceived. That kind of practice is legal and moral deceit and ought to be prevented if a remedy can be devised.

It has brought our cheese into disrepute in foreign markets.

State legislatures, limited in their powers by the Federal Constitution, can afford no adequate relief. This product, while it is the subject of interstate commerce, is beyond the reach of State regulation or control. I venture the opinion that nine-tenths of the trade in this article by the manufacturer and wholesaler is interested and within the evaluative invisitation of Congress.

the trade in this article by the manufacturer and wholesaler is interstate and within the exclusive jurisdiction of Congress.

I do not believe the exactions of this bill are any more burdensome than those imposed upon several other businesses by Federal laws, but if they are the report of the committee shows that the producers and dealers in "filled cheese" have made them necessary. A man who manufactures a good article of any kind advances his own interests by preserving by suitable marks the identity of his product. Fees are paid for trade-marks and suits are prosecuted to redress and prevent their infringement. But in this business, one of large proportions no such business presentings.

prosecuted to redress and prevent their infringement. But in this business, one of large proportions, no such business precautions are taken, or seemingly advisable. As the committee report shows, a large proportion of the product is sold by the manufacturers to jobbers without any mark whatever, without name or habitation, thus leaving to the jobber the privilege of locating the place of manufacturer and naming the article.

Only one reasonable inference is open from such a situation, namely, the manufacturer has no pride in his product and is in conspiracy with the dealer to deceive the consumer. When this cheese, unmarked and bastardized by its producer, reaches the dealer, the report shows that it is marked "New York State full cream cheese," "Fine cream cheese," "Badger State full cream cheese," and this defrauds and deceives the purchaser and consumer, and as well infringes the rights of the honest manufacturers

of these brands of cheese and brings their product into disrepute through the deception. It appears that these dealers have stencil plates, and with them mark the cheese anything, give it any name and quality the cupidity of the purchaser may suggest. It is certainly time that such practices should be put under the ban of the law, and here and now is a splendid opportunity to do it.

The minority of the committee, among the grounds upon which they oppose the process the proce

The minority of the committee, among the grounds upon which they oppose the measure, deprecate the present increase of revenue in view of the plethoric condition of the Treasury. As supporting this argument they say there is now in the Treasury over and above the gold reserve \$160,000.000. So there is of borrowed money, but how long will it last with the present revenues and expenditures? Yesterday's statement of the receipts and expenditures abow the expenditures to be \$1.041,000 over the receipts. At this rate the \$160,000,000 would last about one hundred and fifty-nine days or about five months. How such an argument at this rate the \$100,000,000 would last about one hundred and fifty-nine days, or about five months. How such an argument overwhelms one! In a month or two Congress will adjourn for six months at least; before we again convene this fund will be exhausted at the present rate of diminution, and each day thereafter the Government will be running behind. It is also asserted in some quarters that the President will reconvene Congress unless once we were no local time is enough. in some quarters that the President will reconvene Congress unless some revenue legislation is enacted. All of which is very interesting in connection with this revenue argument. The manufacturers of and dealers in this article may find some substantial benefit to their business in this measure. I have no information as to whether this kind of cheese is imported, but if not now I have no doubt that soon the enterprise of other countries will follow the Yankee lead and will be making filled cheese and seeking a market for it abroad, and most likely in this direction. This bill, in addition to the import duty, the tariff, levies 8 cents a pound internal-revenue tax upon the foreign product. This will give the American producer of filled cheese the American market; so that, after all, this advantage may lift the burdens of the measure.

At any rate, it is a reasonable proposition. It enforces fair dealing, honest business. It prevents fraud and deceit and puts this article into the market upon its merits, with its own flag flying. We have stopped pirating on the high seas. We have attempted to stop it against copyrighted literature and works of art. Let us now stop it in the choses business.

now stop it in the cheese business.

River and Harbor Appropriations,

SPEECH

HON. DAVID G. COLSON,

OF KENTUCKY,

IN THE HOUSE OF REPRESENTATIVES.

•Monday, April 6, 1896. -

The House having under consideration the bill (H. R. 7977) making appropriations for the construction, repair, and preservation of certain public orks on rivers and harbors, and for other purposes—

Mr. COLSON said:

Mr. SPEAKER: If I were to criticise the bill now before the House

for consideration I would say that the appropriations made for some of the rivers of the country are too small. There is no economy in making public improvements by piecemeal. Such a policy results in increased cost in the completion of any improvement to which it is applied. This bill in some of its parts does not meet my approval. It is in some of its items too illiberal. I will refer to only one item, which is the one of \$20,000 for continuing the improvement of the Cumberland River between the Tennessee and Kentucky State line and the town of Burnside, in Kentucky, to be tucky State line and the town of Burnside, in Kentucky, to be expended in purchasing sites and masoury for locks and dams 21 and 22 on said river. I asked the committee to put these locks and dams under the continuous contract system or to appropriate \$100,000 for expenditure in the work. The bill does neither, but carries only \$20,000 for the purpose named. This amount, though small, is the only appropriation ever made especially for that part of the Cumberland between the State line and the town of Burnside and bearing in mind this fact. Law placed to get the \$20,000. side, and bearing in mind this fact, I am pleased to get the \$20,000. But it is illiberal.

Were it allowable under the rule under which we are operating to offer amendments, I would offer an amendment putting these locks and dams (21 and 22) under continuous contract, and failing to secure its adoption would move to increase the appropria-

tion for said locks and dams to \$100,000.

By the Cumberland River the distance from Nashville, Tenn. to Burnside, on the Cincinnati Southern Railroad, in Kentucky, is 327 miles, and nowhere between these two points is this river crossed by any railroad. This may strike you as remarkable, but

The Cumberland River, in the plan for its improvement, is divided into two sections, the Cumberland below Nashville and the Cumberland above Nashville.

Nearly all the appropriations made for the improvement of the

Cumberland above Nashville has been expended on that part of

the river in Tenne

the river in Tennessee.

This is not just to the people along that part of the division above Nashville which is in Kentucky. Of the 327 miles of the Cumberland between Nashville (in Tennessee) and Burnside (in Kentucky) 203 miles is in Kentucky, and the people of the districts lying along this part of this 203 miles of the Cumberland between the State line and Burnside seek the markets of the country of the between the State line and Burnside seek the markets of the country not by going down the river to Nashville, but by going up it to the railroad at Burnside. Burnside is the railroad shipping point for all the upper Cumberland River country between Burnside and the State line. Hence the importance of pushing the improvement of the Cumberland River from Burnside down. The river is navigable up to Burnside for boats of 8-foot draft about five months in the year

about five months in the year.

The plan of improvement favorably reported by the engineers is entirely possible, and when completed will make the river navigable to Burnside all the year for boats of 4-foot draft. The completion of locks and dams 23 and 21, which are about 5 and 30 miles, respectively, below Burnside, would give transportation all the year to a large territory, rich in oil, coal, timber, and a variety of resources. The people of this section are honest, industrious, and progressive, and I here and now enter my earnest protest against the failure to make an adequate appropriation for the pushing forward of the improvement of the Cumberland River from Burnside down. The Republican party can not afford to neglect any imdown. The Republican party can not afford to neglect any improvement that ought to be made. The Republican party believes in the policy of internal improvement, as it does in the doctrine of protection. These are the two great policies for which Henry Clay stood, and Kentucky stands to-day advocating them, Kentuckians never having departed from the faith of that great man.

Pensions.

The Loyalists of East Tennessee—Their Services as Soldiers—The National Guards and Home Guards—Never Paid as Promised— Their Appeal for Justice.

SPEECH

HON. HENRY R. GIBSON,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 25, 1896.

The House having under consideration the bill (H. R. 8271) relating to pen-

Mr. SPEAKER: The remarks that I propose to submit to-night

Mr. GIBSON said:
Mr. Speaker: The remarks that I propose to submit to-night in connection with the pending measure will not perhaps appear at first to bear directly upon the bill now under consideration, but later on their pertinency will become more manifest.

I desire to speak to-night in reference to what might be termed the irregular Union soldiers of the South. Those soldiers may be divided into three distinct classes: First, the men who joined regular military organizations without ever having been mustered; second, the "East Tennessee National Guards," and third, the "Home Guards" of East Tennessee.

A great many of the regular East Tennessee regiments frequently passed through their end of the State, and as they passed through numbers of loyal men joined their ranks. These men had no thought of bounties. They did not wait to be examined by surgeons; they did not wait to be mustered into the service; they did not even stop to put on uniforms, but dressed in our mountain homespun took their places in the ranks of the Army and ran all the risks of a soldier, proud of the chance to serve under the flag of their country and battle in her cause, with the consent, of course, of the officers commanding the companies and the der the flag of their country and battle in her cause, with the consent, of course, of the officers commanding the companies and the officers commanding the regiments. These men went into battle with the regiments they had thus joined. Many of them were killed, many were wounded, and many captured. Many served six, eight, ten, twelve, or more months in the service, and when these regiments at last reached some point where a mustering officer could be found, those who were killed of course were not there and could not be mustered; those who were wounded and were in the hospitals, and the sick who had been left elsewhere, could not be mustered; and very frequently those who were present were rejected because of wounds, injuries, or other disability incurred while in the service; and thus but a small percentage of them were ever actually mustered into the armies of the Union and became entitled to a soldier's rights.

BRAVE SOLDIERS NEVER MUSTERED.

I have introduced a number of bills covering cases of this character. One case is that of a man who served about three years, Capt. George A. Tillett, who was three times wounded in battle

and twice made a prisoner of war. Captain Tillett's record is one of thrilling interest. Another case is that of William B. Caldwell, who joined the Ninth Tennessee Cavalry. I have in my hand the statement of his case as it appears of record in the Record and Pension Office of the War Department. He enlisted in Company D, Ninth Tennessee Cavalry, and served with the regiment in several engagements, the last one at Bulls Gap, Tenn., on November 14, 1864, in which engagement he received a bullet wound in his right hip. He was sent to the army hospital at Knoxville, where he remained until March, 1865, when he rejoined his regiment, but was rejected because his wound had disabled him for further military service—was never mustered.

I could also call attention to the cases of William C. Chandler and Jason R. Gossett, pending before this House, both of whom were captured by the rebels after enlistment and before muster and confined in rebel prisons—in Chandler's case for about two years and in Gossett's case eight months. I could cite many other cases, but refer to these to show that there ought to be some law passed by the Congress of the United States giving these men who thus rendered faithful services some recognition as soldiers and

thus rendered faithful services some recognition as soldiers and some adequate compensation for their patriotism, their heroism, and their unselfish services in the cause of their country. [Ap-

I have introduced a general bill covering this class of cases; but for fear I may not get an opportunity to discuss that bill, I state the matter here, as pertinent to some extent to the bill now under consideration.

NATIONAL GUARDS OF EAST TENNESSEE.

The second class of cases I wish to refer to are National Guards
East Tennessee. When General Burnside came into East Tenof East Tennessee. of East Tennessee. When General Burnside came into East Tennessee the people went forth to neet him in crowds and to welcome him as a deliverer. They embraced the very horse he was riding. The women crowded around to take his hand and touch his garments. His march from Cumberland Gap to Knoxville was one continuous ovation. The mountains rejoiced and the very hills broke forthinto songs, for the day of their deliverance here they had come. Union flags blossomed out everywhere, all over East Tennessee, from the places where they had been hidden during the winter of those terrible times when the Confederates were in control of that mountain land, and a jubilee was held in every loyal home. [Applause.] Later on I will read a letter that General Burnside addressed to Mr. Lincoln in reference to the extraordinary loyalty and patriotic devotion of the people of East Tendinary loyalty and patriotic devotion of the people of East Tennessee. As soon as he struck that country he issued an order a part of which I will read, and the whole I will append to my re-

HEADQUARTERS, ARMY OF THE OHIO, September 15, 1863. General Field Orders, No. 10.

No. 10. September 15, 1863.

For the better defense of East Tennessee the loyal citizens are hereby invited and authorized to form themselves into companies, which will be known as the "National Guard" of East Tennessee.

* **

The companies will elect their own officers, and as soon as the organization is completed either the captain or some other responsible officer will report at these headquarters, when arms, ammunition, and necessary equipments will be issued.

The companies will be mustered into the service of the United States

Note that language, Mr. Speaker—"will be mustered into the service of the United States"; not into the service of the State of Tennessee, nor into the service of General Burnside, but into "the service of the United States." I call special attention to these words, for the reason that the War Department, as I will hereafter show, claims that they were mere State militia or "home guards."

The companies will be mustered into the service of United States, and when called out by competent authority will receive the pay and allowances given other troops of the same arm in the volunteer service.

The loyal citizens of East Tennessee are called upon to be active in forming hemselves into companies, in order that they may be armed with the least cossible delay. The Government places arms at their disposal to be used in efense of their homes, and it is hoped they will come forward with promptees and do their part toward securing their several counties from invasion. By command of Major-General Burnside.

LEWIS RICHMOND, ssistant Adjutant-General. Asi

COMPANIES OF NATIONAL GUARDS.

You will notice that this order calls them "the National Guard of East Tennessee," not home guards, not State militia, not county guards, but "the National Guard of East Tennessee." They were called out by the United States directly and not by the State; they were organized and officered, armed and equipped, by the United States, and were in every sense soldiers of the United States.

In pursuance of that order numerous companies of National Guards were organized in East Tennessee, notably the following: Five companies in the county of Sevier, commanded respectively by Capts. Benjamin F. Tipton, Daniel Kelley, Samuel W. Randles, Nathaniel M. Baker, and Jacob Tyson.

Four companies in Blount County, commanded, respectively, by Capts. Newton McConnell, Elijah Walker, Hamilton Tipton, and William Bingham.

William Bingham.

One company in Knox County, commanded by Capt. Gideon S.

One company in Union County, commanded by Capt. William Shelby.

One company in Jefferson County, commanded by Capt. Daniel

Carter.

Two companies in Cocke County, commanded by Capts. Russell Jenkins and Jefferson Denton, respectively.

Three companies in Scott, Morgan, and Campbell counties, commanded, respectively, by Capts. Dennis Trammell, Wimer Croley, and Joseph Newport. These three companies have been recognized as soldiers, and what I may hereafter say about the nonpayment and non-recognition of the National Guards of East Tennessee does not refer to these three companies.

These companies were sworn into the service of the United States under Burnside's order, as I will presently show.

I have in my hand an original draft of the oath furnished by General Burnside to be administered to these men. It is as follows:

OATH TAKEN BY THE NATIONAL GUARD.

HEADQUARTERS, ARMY OF THE OHIO,

Knozville, Tenn., October 3, 1863.

Oath to be administered to the National Guard of East Tennessee:

"All and each of you do solemnly swear (or affirm, as the case may be) that you will bear true allegiance to the United States of America, and that you will serve them honestly and faithfully against all their enemies or opposers whatsoever, and observe and obey the orders of the President of the United States and the orders of the officers appointed over you according to the Rules and Articles for the Government of the Armies of the United States.

That is the oath Allet Armies and Articles and Articles for the Government of the Armies of the United States.

That is the oath that these men took. They remained subject to the orders of United States officers from their enlistment to to the orders of United States officers from their enlistment to their disbandment. They fought battle after battle, sometimes victorious and sometimes going down in defeat. Many of them were killed, many of them were captured, many suffered all the horrors of Andersonville prison; and in revenge for their espousal of the cause of the Union, when the Confederate forces under Longstreet came in, the rebel guerrillas and Cherokee Indians from the mountains of North Carolina were turned loose upon their families, and their property burned or swept away, and their wives and children maltreated. and children maltreated.

ERVICES RENDERED BY THE NATIONAL GUARDS.

And yet, Mr. Speaker, with the exception stated, none of these men has ever been paid one cent by the Government of the United States. Not a dollar has ever gone into their pockets. They were armed by the Government, it is true; they drew ammunition from the Government, it is true; but they furnished their own clothing, they furnished their own horses, and they furnished their own commissaries. I have here the muster rolls of several of those companies, with the affidavits of the officers as to the services that they rendered. Two of these affidavits I will, for the information of the House append to my remarks as samples of the services.

of the House, append to my remarks as samples of the services rendered by these companies of National Guards.

These affidavits all show that these companies of National Guards were all organized and duly sworn into the service of the United States under General Field Order No. 10 just read, that they were armed by General Burnside, that they were under milithey were armed by General Burnside, that they were under min-tary order, that they rendered many and valuable services, that many of these guards were killed, wounded, and captured, that some died in rebel prisons, and that, in short, they had all the varying fortunes and vicissitudes of soldiers in time of war, with-out, however, ever receiving any of the compensations and allow-ances promised them.

Now, Mr. Speaker, what is the excuse that the War Department has given why these companies were not paid? General Burnside himself, while he was in the Senate of the United States, I am told, went to the then Secretary of War and entreated him to recognize the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and the National Guards of East Tennessee, telling the Secretary of War and Secr retary that he had solemnly pledged these men that they should be recognized as United States soldiers, and receive, in the language of his general order—

The pay and allowances given other troops of the same arm in the volunteer

I hold in my hand the letter of the Adjutant-General, dated Washington, D. C., February 4, 1880, and he gives as a reason why these troops should not be paid the following:

The returns of the Army of the Ohio, in which it is claimed the companies served, make no mention of the force. The companies were simply home guards, and as such furnished with arms and ammunition to defend themselves whenever the occasion required.

THE NATIONAL GUARDS DULY AUTHORIZED.

Now, Mr. Speaker, in this very report he gives the general field order that I have just referred to, issued by General Burnside, calling them "National Guards," recognizing them as soldiers in "the service of the United States," promising them "the pay and allowances given other troops in the same arm of the volunteer service"; and his report also sets forth the orders that were given to these men to go to different places and do various duties. This general field order that I have just read is dated September

15, 1863, and the document which I will now read is dated September 25, ten days afterwards. General Burnside called on the loyal men of East Tennessee to be active. Well, they were active. less than a week over 2,000 men had rallied to his call. 25th of September, 1863, ten days after he had issued his field order, he issued this special field order:

HEADQUARTERS, ARMY OF THE OHIO, Knoxville, Tenn., September 25,

He had just come to Knoxville. It was the first time it had been taken possession of by the Union armies during the rebellion. Special Field Orders, No. 29. HEADQUARTERS, ARMY OF THE OHIO, Knoxville, Tenn., September 25, 1863.

6. Capt. R. C. Crawford will proceed without delay to Sevier, Cocke, Greene, Hawkins, and Hancock, East Tennessee, and such other places as he may deem necessary for the purpose of mustering into the service of the United States the National Guard of East Tennessee in those counties, and of distributing 1.000 stand rifled arms, with accounterments and ammunition. Captain Crawford has authority to muster in one mustering officer for each county.

By command of Major-General Burnside:

By command of Major-General Burnside:

R. H. I. GODDARD,

Captain & A. D. C. & A. A. A. G.

These officers, whose muster rolls I hold in my hand, swear and prove by overwhelming testimony that Capt. R. Clay Crawford appeared, had the companies drawn up, swore every man, entered their names upon the muster rolls, and put them under military orders; and from that time on for months these men were as much in the service of the United States of America as any men who fought under our flag during the war of the rebellion.

These muster rolls show the names of the men killed in battle,

wounded, and captured, the marches they made, and the battles

they fought.

The War Department has said, in a letter dated June 5, 1890, addressed to Hon. H. F. Finley, then a member of this House, from Kentucky:

It is proper to remark that the records fail to show any authorization to raise these companies was ever given by the War Department; and in the absence of any record of their muster into the United States service, the members thereof are not entitled to discharges therefrom.

He says there is no record of any authorization, but I have already shown that General Burnside had authorized the formation of these companies. It is said, however, that General Burnside had no authority from the War Department. That would be a miserable defense for a great Government to set up as an excuse for refusing to pay the soldiers who rallied to her defense at her for retusing to pay the soldiers who rained to her detense at her call in her hour of danger. But let us see what the record is upon that point. Here is a copy of a letter addressed by President Lincoln to Andrew Johnson, which is contained in the War Records, Series I, Volume XXX, Part III:

PRESIDENT LINCOLN TO GOVERNOR JOHNSON

EXECUTIVE MANSION, Washington, September 8, 1863-0.30 a. m.

Washington, September 8, 1863—0.30 a. m.

It must be remembered that Andrew Johnson was appointed by President Lincoln brigadier-general, and military governor of the State of Tennessee. And I wish to stop right here to say that the soldiers of East Tennessee had none of the advantages of the soldiers of Ohio or Indiana or New York or Pennsylvania or the other loyal States. Tennessee had no State organization; we had no governor; we had no adjutant-general. Our regiments were "orphans," so to speak. They were left to take care of themselves. In your States your governor and adjutant-general vigilantly guarded the welfare of your soldiers. In Tennessee, men not only served as soldiers and were killed, wounded, captured, or disabled without ever being mustered, but privates served as ligndisabled without ever being mustered, but privates served as lieutenants and captains for months and months before they were commissioned, and sometimes without ever being commissioned at all. Our Tennessee soldiers were not only "orphans," but orphans without a guardian. [Laughter.]

Now listen to this letter:

Washington, September 3, 1863-9.30 a. m.

Hon. Andrew Johnson, Nashville, Tenn.:

Nashville, Tenn.:

Dispatch of yesterday received. I shall try to find the paper you mention and carefully consider it. In the meantime let me urge that you do your ntmost to get every man you can, black and white, under arms at the very earliest moment to guard roads, bridges, and trains, allowing all the better-trained soldiers to go forward to Rosecrans. Of course I mean for you act in cooperation with, and not independently of, the military authorities.

A. LINCOLN.

Mr. PICKLER. I suppose they would not have refused men then even if they had been in the Confederate service?

Mr. GIBSON. Not in those days. The Government was glad to get all the men they could. This letter is dated September 8. Now I will read a letter dated September 11. It will be found also in the War Records, Series I, Volume XXX, Part III. At that time Mr. Lincoln had his eye right on East Tennessee was dear to his heart. The letter read yesterday by my colleague [Mr. Brown], of the Chattanooga district of East Tennessee, addressed by Prezident Lincoln to General Buell, shows

how Mr. Lincoln's heart was yearning for the Union men in East Tennessee, who were anxious for the time to come when they could show their devotion to their country by battling under its flag. [Applause.] I will append that letter to my remarks. The letter of Mr. Lincoln to Governor Johnson was dated September 8. On September 11, three days afterwards, General Halleck, then the General-in-Chief of all our armies, wrote the following

WAR DEPARTMENT, Washington, D. C., September 11, 1863.

Major-General Burnside, Cumberland Gap:

Cumberland Gap is the northern gateway to East Tennessee. HALLECK TO BURNSIDE.

WAR DEPARTMENT, Washington, D. C., September 11, 1863.

Major-General Burnside, Cumberland Gap:

The Secretary of War directs that you raise all the volunteers you can in East Tennessee. Select the officers, and if not commissioned by Governor Johnson, they will be by the President. If you have not arms and equipments at your disposal, talegraph for them.

H. W. HALLECK, General-in-Chief.

The general field order of General Burnside read a moment ago is dated September 15, four days after this order. It is preago is dated september 10, four days after this order. It is pre-sumed, at least it is my presumption, that as soon as General Burnside received this dispatch from General Halleck to raise all the volunteers he could in East Tennessee he issued his general field order calling upon the loyal men of East Tennessee to form themselves in military companies to be known as the National Guard of East Tennessee.

And on September 17, two days after the date of his general field order No. 10, General Burnside sends this dispatch to General

BURNSIDE TO HALLECK.

KNOXVILLE, TENN., September 17, 1863.

Maj. Gen. H. W. HALLECK, General-in-Chief:

General-to-Chief:

I arrived here on the night of the 12th. * * I brought with me 5,000 stand of rified muskets, with equipments and ammunition, which are now being issued to troops that are organizing here. I think we will have no difficulty in organizing from 5,000 to 10,000 troops, and therefore beg that 5,000 atual of Springfield rifies be placed at my disposal in Cincinnati, with equipment and plenty of ammunition. The men in this country are all good marksmen, and are devotedly loyal.

Respectfully,

Right here a comparison of dates is important and suggestive. On September 8, 1869, President Lincoln writes to Military Governor Johnson of Tennessee:

Do your utmost to get every man you can, black and white, under arms at the very earliest moment.

On September 11, three days afterwards, Gen. H. W. Halleck writes to General Burnside, then just entering East Tennessee: The Secretary of War directs that you raise all the volunteers you can in Rast Tonnessee.

On September 15, four days after this order, and as soon as he could, under the circumstances, no doubt, General Burnside is sued General Field Order No. 10, saying:

For the better defense of East Tennessee the loyal citizens are hereby invited and authorized to form themselves into companies, which will be known as the "National Guard" of East Tennessee.

And on September 17, two days thereafter, General Burnside tells General Halleck that he is issuing arms to the troops organ-

sing at Knoxville.

So anxious was President Lincoln to know how General Burnside was prospering in East Tennessee in raising men that on October 17, 1863, he sent this dispatch:

WAR DEPARTMENT, Washington, D. C., October 17, 1863.

Major-General BURNSIDE, Knoxville, Tenn.

I am greatly interested to know how many new troops of all sorts you have craised in Tennessee. Please inform me. A. LINCOLN.

And on the day of its receipt General Burnside sent this answer:

KNOXVILLE, October 20, 1865. His Excellency ABRAHAM LINCOLN, President:

Your dispatch of this date received. We have armed some 2,500 guards, and have recruited nearly 3,000 men for three years' service.

A. E. BURNSIDE, Major-General. Now, Mr. Speaker, who can doubt, after reading and comparing these letters, that General Burnside had authority from the War Department, and from President Lincoln himself, to raise these companies of National Guards and make them the promises he

THE BRAVERY AND PATRIOTISM OF THE NATIONAL GUARDS In those days all that the men of East Tennessee wanted was an opportunity to fight under the flag of their country. Remember, that everything in the shape of a weapon of war had been strained

ont of East Tennessee by the Confederate authorities, and it was a crime for any man there to have a weapon in his possession. Once fully armed it would have taken 50,000 Confederate troops to have held secure possession of that loyal mountain land. And after getting arms many were the deeds of heroism performed by them; and the published volumes of the War Records show that the National Guards of East Tennessee were often in evidence when the services of loyal and brave soldiers were in demand, and the record they made is one of which we all are justly proud. [Applause.]

[Applause.]
It was these men who saved General Burnside's army from starvation in the city of Knoxville when besieged by Longstreet. They provided him with forage; they supplied him with provisions; they kept the roads into Knoxville open; they floated down the Tennessee River rafts loaded with provisions and forage; they swarmed on the flanks of Longstreet's army, capturing stragglers, aiding deserters, and fighting foragers. Indeed, it is safe to say that had it not been for the National Guard of East Tennessee, Burnside would have been starved into surrendering, and no one can confidently tell what the results of that surrender would have been on the issues of the war. And yet to this good day these heroic National Guards have never been recognized as soldiers and have never received one cent of pay for their services and no pensions for their sufferings.

sions for their sufferings.

A MEMBER. It is a shame.

Mr. GIBSON. I hope, Mr. Speaker, that before this Congress adjourns it will do justice to these men and will see to it that the faith which the Government pledged to them is made good, and that the promises of General Burnside are in all things ratified and fulfilled. Remember. Mr. Speaker, that these men who served from two to five months never received a dime of pay. The wives and children of those that were killed in battle never received a dime of pay. either a pension or any other benefits from the Government. Those that died in prison at Andersonville have received no en-Those that died in prison at Andersonville have received no encomium, no reward, no recognition as soldiers of a Government they died to save; they died, by their country "unwept, unhonored, and unsung." [Applause.] I have here the affidavit of Maj. Charles Inman, the officer to whom four of these companies were directed to report for duty, giving a full account of their services. I will print it as a part of my remarks.

THE HOME GLARDS.

Mr. Speaker, there is another class of men in East Tennessee about whom I wish to say something. Before General Burnside came the mountain men of East Tennessee organized themselves into companies called "Home Guards." The principal companies into companies called "Home Guards." The principal companies that were organized in my district were those commanded by Capt. Joshua J. Duncan, Capt. William A. Hembree, Capt. Wayne W. Cotton, and Capt. William Robbins, of Scott County, all gallant and patriotic men. These "Home Guards" were the exact counterparts of those liberty-loving heroes who fought under Marion and Sumter in the war of the Revolution. They were the exact counterparts of the men who fought under John Sevier and Isaac Shelby at the battle of Kings Mountain. They were the same sort of men as those who hung upon the flanks of Lord Cornwallis and Lord Rawdon in the Carolinas in the days of the Revolutionary war, and finally drove Cornwallis to

were the same sort of men as those who hung upon the flanks of Lord Cornwallis and Lord Rawdon in the Carolinas in the dark days of the Revolutionary war, and finally drove Cornwallis to the sea, and enabled Washington and Lafayette to coop him up and capture him and his whole army at Yorktown. [Applause.]

You all know what was said by Washington himself when he read the glorious tidings from the Carolinas, that Major Ferguson had been killed and the royal troops under him had been captured at Kings Mountain by John Sevier and Isaac Shelby, both from what is now East Tennessee. They were North Carolinians at that time, because that victory was won before our State was organized. It may not be known to all the gentlemen present that the men who fought at Kings Mountain were the ancestors of my constituents. Col. John Sevier, who commanded one of the East Tennessee regiments at Kings Mountain, was the first governor of Tennessee; and Col. Isaac Shelby, who commanded another East Tennessee regiment in that battle, afterwards x-moved to Kentucky and became its first governor. He is the same Shelby who commanded a part of the American forces under General Harrison at the battle of the River Thames, where the British army was overthrown and that great Indian chieftain Tecumseh stricken with the blow that made him bite the dust. [Applause.] These "Home Guards" were of incalculable benefit to the country they protected. They not only kept out the Confederate invaders, but they did more. And at this point I am tempted to cite an incident illustrating their achievements. A Confederate brigade commanded by Col. Crawford Vaughan, commanding in East Tennessee—and I may say, by way of parenthesis, that it took at least 20,000 Confederate troops for the first two years of the war to garrison East Tennessee and keep down the loyalists in that section of the country. Col. Crawford Vaughan, commanding a brigade of infantry and cavalry, was sent up into the mountains of Anderson and Scott counties to destroy the

home guards and punish the mountaineers for their loyalty; but those home guards bushwhacked him. They filled every mountain top, they filled every rocky crag, they filled every cove, they swarmed in every forest, they were upon every ridge, and they sent their bullets down into Vaughan's brigade from the right and from the left, so thickly and with such unerring aim that at last his men turned and fled panic-stricken and in dismay, declaring that the mountains were filled with Yankee bushwhackers and to stay there was certain death. [Applause.]

SERVICES OF THE HOME GUARDS.

These "Home Guards" piloted the Union refugees northward from the whole Southern country, from northern Georgia, from western North Carolina, from eastern Tennessee, up through the mountains into Kentucky, where they organized into regiments under the flag of the Union. Congress voted a pension a few nights ago to Maj. Gen. Joseph A. Cooper. He was from the county of Campbell, a county which I now represent and in which I formerly lived. He was the best specimen of the ideal American soldier that the war of the rebellion gave a chance to come to the front. He left the plow when a boy and joined our Army in the soldier that the war of the rebellion gave a chance to come to the front. He left the plow when a boy and joined our Army in the war with Mexico. He marched as a gallant American soldier from Vera Cruz to the halls of the Montezumas. Coming back home, he went upon his little farm and resumed the avocations of an humble farmer. He was elected to the office of constable of his civil district and served faithfully as became a good citizen.

When the war of the rebellion broke out he again left his plow gathered together a few of his neighbors, bade his family goodby, and went to Kentucky, walking all the way, until they reached a place where there was a Union flag flying and a Federal officer in command; and there he got authority to go back to Tennessee and organize a regiment. He stole through the mountains in the night, gathered together about 100 men and mountains in the night, gathered together about 100 men and carried them to Kentucky. He opened the way, and the Union men of East Tennessee poured out, marching in the night-time and hiding in the daytime, in order to reach the rendezvous in the State of Kentucky. And in this way was raised the first regiment of Union soldiers from East Tennessee. This same man, Joseph A. Cooper, without the aid of education, without the education and the education an of wealth, without any influential friends or family connections, without any assistance but the will of a hero, the heart of a patriot, and the soul of a Christian, rose step by step in the Army until as a crowning reward for bravery and skill he was finally mustered out as a brevet major-general in the Army of the United

States. [Applause.]
The "Home Guards" kept the roads leading from the South into the Union lines in Kentucky open, and thousands were the Union refugees they enabled to reach those points in Kentucky where they could organize themselves into companies and regi where they could organize themselves into companies and regiments under the Union flag. Mr. Speaker, there is one thing that I will discuss right here. It is the right of a man to a pension who left the Confederate army and joined the Union Army. I had intended to have spoken of it later on, but will refer to it now. The Confederates had their infantry and cavalry stationed in all of the mountain passes, up and down all of the valleys of East Tensors, their forces are properly at times about 20 000 mer. Gen. , their forces numbering at times about 20,000 men. Albert Sidney Johnston has been excused for his failure to hold Bowling Green and other points in Kentucky, and for allowing the Federals to flank him, by reason of the fact that it took so many thousand Confederate soldiers to keep the Unionists of East Tennessee overawed, and prevent them from destroying the rebel railroad communications through their country.

THE PERSECUTION OF EAST TENNESSEANS.

Mr. Speaker, these companies of Union refugees that were flee-ing through the mountains of East Tennessee to the Union lines in Kentucky to escape conscription into the rebel army were being in Kentucky to escape conscription into the rebel army were being constantly captured, and were being hung or shot on the spot by their Confederate captors; and if any of you gentlemen ever pass through that country you will see the graves of these patriots by the roadside, a great many of them, many of which are in neat inclosures, painted white, because the people revere the memory of those murdered patriots, men who suffered in their country's cause. [Applause.] And you will inquire what is the meaning of those little inclosures, and will be told that there sleep men who were murdered by the rebels during the war because they loved their country. Plenty of them were hung, hundreds were shot, thousands died in prison pens. In those days every man was enrolled for conscription; if he did not put in his appearance at the country seat on a given day he was considered a deserter; and if captured was hung or shot, or thrown into prison. All the at the county seat on a given day he was considered a deserter; and if captured was hung or shot, or thrown into prison. All the prominent Union men that were over the military age were arrested. You remember that Governor Brownlow was put in the prison at Knoxville, Hundreds of prominent Unionists were imprisoned, and many sent to Tuscaloosa, where they died. When Horace Maynard was elected to Congress the last time, before the war became flagrant, he barely escaped capture; and Col. Thomas A. R. Nelson, who was elected to Congress from upper East Ten-

nessee at the same time, while trying to get out of the country, was captured by the Confederate forces, put into prison, and actually compelled to take the oath of allegiance to the Southern Confederacy in order to save his life. In those days the bullet, the halter, or the prison pen was the fate of every man in East Tennessee who was suspected of being hostile to the Southern Con-

federacy.

But no amount of persecution, not the hangman's rope, nor the deadly bullet, nor the prison pen, not exposure to the rigors of the weather, not starvation nor disease, not the depressing influences of false reports of Union disasters, not the longing for home, not distressing tidings of wives or dear kinsmen in sickness or want, not all these influences, singly or combined, could shake the fidelity of the Union men of East Tennessee to the flag of their fathers and the Constitution of their country. And I here and now challenge history to produce a sublimer spectacle of unselfish and unfailing patriotism than was exhibited by the Union men of East Tennessee during the dark days of the war of the rebellion. They truly were truly were-

The noblest of that noble race
That since the days of old
Have kept the lamps of loyalty
Alight in hearts of gold.

UNION MEN FORCED INTO THE REBEL ARMY.

It was this class of men, thus forced into the Confederate army by fear of death or the prison pen, who, at the first favorable opportunity, deserted from that army and joined the army that fought under the flag that they loved so dearly and for the cause for which they had struggled so bravely and so long. [Applause.] This is the class of men that the gentleman from South Dakota, the chairman of the Committee on Invalid Pensions, who represents this bill, is anxious to relieve from the odium of having served in the Confederate army by placing them upon the same footing as other Union soldiers, a footing to which they are clearly entitled by every principle of patriotism and every impulse of sympathy and gratitude. [Applause.]

I have no special anxiety to help any class of men who, while voluntarily serving in the Confederate army or while prisoners of war to the United States, when they saw the Confederacy tumbling to pieces, then joined the Union armies. I want to help the men who were forced into the Confederate army—men who had Union hearts, and who left the Confederate army the first chance they had. I have introduced a bill for the benefit of these men, It was this class of men, thus forced into the Confederate army

they had. I have introduced a bill for the benefit of these men, because scores of my constituents in the last twelve months have been dropped from the rolls of the Pension Office because their names appear on the Confederate muster rolls, they having been conscripts. I received two letters this morning about pensioners dropped because the Confederate war records showed that they had been in the Confederate service.

It may not be known, perhaps, to all of you that these Confederate army rolls have been very carefully examined and compared with our pension rolls, and whenever the same name is found on both rolls a special pension examiner makes an inquiry into the matter, and if it turns out that the pensioner was in the Confederate army he is at once dropped from the pension roll. In order to cure that defect I have introduced a bill which, as amended, reads as follows:

That section 4716 of the Revised Statutes of the United States shall not be so construed as to apply to any person or to the widow, children, or heirs of any deceased person, who, having participated in the rebellion, afterwards enlisted in either the Army or Navy of the United States and served therein for four or more months prior to April 9, 1865;—

That was the date of the surrender at Appomattox. The bill then goes on:

And that all pensioners who have been dropped from the rolls because of such participation, and who come within the purview of this act, shall, upon their application, be restored as of the date to which they were last paid.

Now, Mr. Speaker, to get back to the irregular soldiers and to the National and Home Guards, what I want is a provision that those men who joined regiments and were never mustered, those men who were National Guards, and who were Home Guards, shall be entitled to pensions. If they are not to get any pay for their services, at least let us give them the right to a pension. There are very few of them left; most of them are in their graves, and all will soon be. I have drawn and will at the proper time introduce this amendment to the pending bill:

Insert in line 6 of section 17, after the words "United States," the following:
"And also to include all persons, and their widows, children, and dependent parents, not regularly enlisted, who, while serving with any military organization in the service of the United States, or with any military organization authorized by a general in the United States Army, or with any military company organized to repel rebel invaders, during the war of the rebellion, received wounds or injuries, or incurred disabilities in the line of duty, or who served three or incre months in any of such organizations, or was captured by the rebels while so serving and confined as prisoners of war for three or more months."

PENSIONS FOR THESE SOLDIERS.

I have several constituents who come within this last class, two f whom—Chandler and Gossett—I have already mentioned. A of whomthird is William Stephenson Smith, for whose benefit I have

introduced a bill. He joined a Union regiment, and before he was mustered was engaged in battle, was wounded and left on the battlefield by reason of his wounds, and was taken prisoner by the Confederates, and kept in Confederate prisons until the close of

the war, a period of nearly two years.

He was confined in nearly all the rebel prisons, from Libby to Andersonville, and yet for all these untold miseries that man to this good day has never received one cent, either as pay or p sion, and absolutely no recognition from the Government of his

country.

Now, it so happens that when the war ended there was a provision made for some of these men I have been describing, the provision made by the act of March 3, 1873, which is as follows:

Third. Any person not an enlisted soldier in the Army, serving for the time being as a member of the militia of any State under orders of an officer of the United States, or who volunteered for the time being to serve with any regularly organized military or naval force of the United States, or who otherwise volunteered and rendered service in any engagement with rebels or Indians, disabled in consequence of wounds or injury received in the line of duty in such temporary service. But no claim of a State militiaman or nonenlisted person, on account of disability from wounds or injury received in battle with rebels or Indians, while temporarily rendering service, shall be valid unless prosecuted to a successful issue prior to the 4th day of July, 1874.

It will be seen that this act only allowed sixteen months not It will be seen that this act only allowed sixteen months not only to file the claim but to prosecute it to a successful issue. The fact is the passage of that act never was known, until a comparatively recent date, to thousands of men interested in its provisions. Now, I want to ask the House to pass this amendment of mine, which is only that old law slightly broadened, and give these men of the classes I have been describing, who rendered as good service for the time they did serve as any enlisted men in the Army of the United States, that recognition that their services, their patriotism, their fidelity, and their bravery justify at the hands of a great and powerful Government, for whose defense they gave their best energies and their heartiest prayers.

they gave their best energies and their heartiest prayers.

Mr. PICKLER. Will the gentleman allow me to suggest that
this is about the sentiment of a bill that the Committee on Invalid Pensions have recommended favorably?

Mr. GIBSON. Pretty nearly.
The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Tennessee has expired.

Several Members. Let his time be extended.

The SPEAKER pro tempore. If there be no objection, the gentleman from Tennessee will be given five more minutes.

There was no objection.

Mr. GIBSON. Now, Mr. Speaker, I have various documents, which I have not read in full, which I will print as a part of my

which I have not read in run, which I will print as a part of my remarks. They all bear on the subjects I have been discussing.

Mr. PEARSON. Before the gentleman from Tennessee takes his seat I should like to have him correct one observation which he made. I do not mean to disturb him now. I think the gen-

tleman is not yet finished.

Mr. GIBSON. No; I have not yet quite finished.

PENSIONERS IN EAST TENNESSEE.

Mr. Chairman, in order to show the character of the people that I represent I have prepared a table showing the number of pensioners in the loyal States in 1890, by Congressional districts. I take the year 1890 for the reason that the last report of pensioners by counties made by the Commissioner of Pensions is for that year. I give in one column the number of pensioners in the loyal States, in another column the number of Congressional districts, and in the third column the average number of pensioners per district. I give the number in the First and Second districts of Tennessee. The number of pensioners in my district, which is the Second, is 2,648. The number in the First district, the one above mine, is 2,534; and, Mr. Speaker, the table shows that there are more pensioners in the Second Congressional district of Tennessee than the average in any of the so-called loyal States, except Maine, New Hampshire, Vermont, Ohio, Indiana, and Kansas. The averthan the average in any or the so-called loyal States, except Maine, New Hampshire, Vermont, Ohio, Indiana, and Kansas. The average in the six States I have mentioned is greater than that in my district; but in the other 18 States the average is less than in my district, and generally much less. My county of Knox, with less than 60,000 population by the census of 1890, had more pensioners in it that year than many of the Congressional districts in the so-called loyal States, with about 200,000 inhabitants cook.

in it that year than many of the Congressional districts in the so-called loyal States, with about 200,000 inhabitants each.

Mr. PICKLER. Mr. Speaker, do I understand the gentleman to say that there are quite a considerable number in his district who are cut off under the present ruling of the Pension Bureau because they were in the Confederate service, and who will be reinstated under section 1 of this bill? Have you quite a considerable number in your district?

Mr. GIBSON. Oh, yes.

Mr. PEARSON. There are more than 200 in my district, which adjoins that of the gentleman from Tennessee, in the State of North Carolina.

Mr. PICKLER. I hope some of these gentlemen who are so

Mr. PICKLER. I hope some of these gentlemen who are so conscientious about this section will take notice of these figures.

I understand the gentleman to state that these people are now cut

I understand the gentieman to state that these people are now cut off, under the rulings of the Pension Department.

Mr. GIBSON. They are being dropped or threatened almost every day, because of service in the Confederate army, a service forced on them at the point of the bayonet, or with the threat of a

halter, or the prison pen.

Mr. PEARSON. They have been dropped, under this Admin-

The SPEAKER pro tempore. The time of the gentleman from

Tennessee has expired.

Mr. PEARSON. Before the gentleman takes his seet.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CROWTHER. I ask unanimous consent that the gentleman be allowed to continue until he has completed his remarks.

Mr. PEARSON. I hope there will be no objection, because there is one statement of history that I want the gentleman to

The SPEAKER pro tempore. Unanimous consent is asked that the gentleman be allowed to proceed until he completes his reks. Is there objection?

There was no objection.

Mr. PEARSON. I simply desire to ask the gentleman from Tensee if he is not in error in saying that the battle at King's

Mountain was fought on the American side entirely by men from other States than from North Carolina?

Mr. GIBSON. There was a regiment from Virginia and a company from South Carolina and several companies from North Carolina, from your side of the mountains.

Mr. PEARSON. And some from your side, or the Tennessee

side of the mountains?

Mr. GIBSON. Yes; a majority of the men who fought that battle were from my side of the mountains; and the sword that De Peyster surrendered when he lowered his flag after Ferguson's death is now among the trophies of the State of Tennessee, and on deposit in her capitol.

Mr. PEARSON. As a North Carolinian I could not permit that

Mr. PEARSON. As a North Carolinian I could not permit that statement to go unchallenged, because I will say, as a matter of fact, that my own great-grandfather was there, Joseph Williams, of Surry, and if the gentleman will stop on his way home at my house, where I shall be glad to see him, I will show him a piece of porcelain that was captured by North Carolinians from Ferguson, and it is the most valuable property in our family. I hope that in the gentleman's very valuable historical remarks he will not undertake to include an error of that sort, because the Williamses, and the McDowells, and the Gwyns, and the Lenoirs, and the Carsons all took part in that battle, and their descendants are proud and isalous of the fame of those herees. proud and jealous of the fame of those heroes.

UNION SOLDIERS FROM EAST TENNESSEE.

Mr. GIBSON. There were many North Carolinians from your side of the mountains in the battle of Kings Mountain, and all of them patriots and heroes, and the fame they won there will live while the history of our country is remembered. We were all North Carolinians then, and the glory of one is the glory of all. Now, Mr. Chairman, I want to say there were thousands of Union soldiers from East Tennessee who are credited to Kennesky. They went over and joined Kentecky regiments.

Union soldiers from East Tennessee who are credited to Kentucky. They went over and joined Kentucky regiments. Some went farther and joined Ohio regiments, some joined Indiana regiments, and some joined regiments of other States. They refugeed from East Tennessee, but returned after the war was over. That is the reason why the number of pensioners now in East Tennessee seems to be excessive in proportion to the number of troops that East Tennessee furnished according to the records cound in the Adition of Congential Office. found in the Adjutant-General's Office. It is safe to say that East Tennessee, first and last, put over 40,000 men into the Union Army, and all of them heroes and patriots, men who would rather have died in battle under the flag of the Union than lived in peace

under the Confederate banner.

I wish to call the attention of the House to another fact. Union I wish to call the attention of the House to another fact. Union soldiers from the Sonth, and especially those from East Tennessee, when made prisoners of war were treated with far more cruelty by their rebel captors than were the soldiers of the North. Not only were the Union soldiers from East Tennessee while in rebel prisons fed on food no honest man would give a dog, but they were not given half enough of even that sort to keep a dog alive. And what is worse still, if there can be anything worse than starvation and insult combined, many East Tennessee Union soldiers were hung in prison by their rebel captors on the pretense that they were spies, or deserters, or fugitives from conscription, or bridge burners. The sword of Damocles hung over the head of every man from East Tennessee as long as he was in a rebel prison, and so well was this known that every effort was made by an East Tennessee Unionist when captured to conceal the fact that he was an East Tennessean.

East Tennessean.

Among the 60 Union regiments mentioned in Fox's book on Regimental Losses in the Civil War as sustaining the heaviest

losses by deaths in Confederate prisons, 9, or over one-seventh, were from the South, 4 of the 9 being from Tennessee. I will give Fox's data as to Tennessee:

Regiment.	Died in prison.
Third Tennessee Cavalry Sixth Tennessee Cavalry Seventh Tennessee Cavalry Second Tennessee Infantry	70 78 193 382

LOSSES OF EAST TENNESSEE SOLDIERS

The Second Tennessee Infantry lost by death in rebel prisons 160 more men than any regiment from any other State, North or South. More than twice as many Tennesseans died in Confederate prisons out of every hundred prisoners than did the soldiers of any Northern State; and an examination of the prison records chows that the percentage of prison deaths was for great and an examination of the prison records shows that the percentage of prison deaths was far greater among the Southern Union soldiers than among those from the North. These statistics only corroborate the well-known fact that the

Union soldiers from the South were subjected to special persecution and were made the victims of a malignant vengeance when-ever they were so unfortunate as to fall into the hands of the Confederate authorities. Loyalty to the Union was deemed disloyalty to the Confederacy, and what the Southern Union men considered to be patriotism the Confederates branded as treason. Devotion to the Stars and Stripes was punished as desertion of the South; and the patriotic Southern heroes who joined the armies of the United States were stigmatized as "Lincolnites" and "renegades," and hounded with a hate that pursued them to their graves.

Mr. Fox, in his book, also shows that more Tennessee troops died

in the Army in proportion to numbers than did the troops dred other State of the Union, more than 25 out of every 100 having given up their lives for the cause of their country.

The fact is beyond successful dispute that no portion of the United States was more loyal to the Union during the war of the rebellion than East Tennessee, and no section of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the country suffered warms for its level to the Union of the Country suffered warms for its level to the Union of the Country suffered warms for its level to the Union of the Union of the Country suffered warms for its level to the Union of the Unio fered so much for its loyalty; and never in the history of wars and revolutions did any people come out of the fiery furnace of trial with brighter garments and more glory than did the loyal men of with brighter garments and more glory than did the loyal men of East Tennessee out of the fierce furnace of persecution that flamed and roared about them from the moment the first gun was fired on Fort Sumter to the moment the last gun was surrendered at Appomattox. Not truer is the needle to the north, not truer the bridegroom to the bride, not truer the Christian to the cross, than were the mountain men of East Tennessee to the flag of their others and the cause of their country and that too while the fathers and the cause of their country, and that, too, while the black clouds of a fratricidal war were rolling their thunders and darting their lightnings upon their defenseless heads.

East Tennessee! East Tennessee! Land of the mountain, rock, and glen, Of lovely maids and loyal men:
Earth's fairest and most favored spot, Oh. who that knows thee loves thee not, Thou Paradise of Liberty?

And right here I want to say a word about many of the men who are marked "deserters" on the rolls of the East Tennessee who are marked "deserters" on the rolls of the East Tennessee regiments. Very few of these men were deserters in the popular meaning of that hateful word. Very few of them ever fled from the face of the enemy. Very few of them ever turned their backs upon their flag in the hour of danger or in the day of battle. Very few of them ever lost faith in the cause of the Union or doubted the final triumph of our flag. Very few, if any of them, ever turned traitor and fled to the camps of the Confederacy. Nearly all of these men who are marked "deserters" were allowed by their officers to go home because of disease or wounds incurred in the service, or because their wives were sick or their families in in the service, or because their wives were sick or their families in distress, and were unable to return because of their own disability or because they had not the heart to leave a dying wife or a starving family. The dreadful alternative was often presented them returning to their regiments and deserting their suffering wives and children or staying away from their regiments and taking care of their distressed families; and whatever their crime in the sight of the God of War, I feel sure they will never be condemned by the God of Peace.

POLITICS OF THE SECOND DISTRICT OF TENNESSEE

Now, not for the purpose of introducing politics in this discussion, but for the purpose of showing the loyalty of the section of country from which I come, I have in my hand the Republican vote and the Democratic vote of the Second district of Tennessee vote and the Democratic vote of the Second district of Tennessee in the race for governor in 1894, by counties (which I will append to my remarks), showing that in the last election the vote in my district for H. Clay Evans, the Republican candidate for governor, was 23,744, while the vote for Peter Turney, the Democratic candidate, was only 7,788 [applause], making a Republican majority of 14,956, and that on a light vote. Really our Republican majority there is about 17,000. But I want to say this about the 7,000 Democrats that are there: A very large proportion of them were good Union men, and a great many of them were in

the Union Army; and if it were not for the presence of the 22,000 Republicans most of those 7,000 Democrats would make very good Republicans themselves. [Laughter.] They are only Democrats because they want to be in opposition to somebody, and there are so few real Bourbon Democrats there that we Republicans loan

so few real Bourbon Democrats there that we Republicans loan them a few thousand so we may have somebody to fight when an election comes round. [Laughter.] Mostof the Democrats in my district would make good Republicans in almost any other State.

Now, in conclusion, Mr. Speaker, I have made these remarks for the purpose of acquainting this House and acquainting the country with the character of the people among whom I live, to the end that when their claims are presented and their merits are considered, something like an adequate measure of justice may be done them, and that their appeals may be heeded, whether it be for represented or for recognition as soldiers or for pay for the thousands. pensions or for recognition as soldiers or for pay for the thousands of dollars' worth of their property which was used in feeding and caring for the Union troops during the war; that these claimants and their claims may receive at the hands of a Republican House that consideration which they have so long demanded and which they so justly deserve, but which down to this good day has never yet been fully bestowed. [Applause.] The papers I have alluded to are the following, which I make a part of my remarks:

part of my remarks:

LINCOLN AND EAST TENNESSEE.

EXECUTIVE MANSION, Washington, January 6, 1862.

MY DEAR SIR: Your dispatch of yesterday has been received, and it disappoints and distresses me. * * * My distress is that our friends in East Tennessee are being hanged and driven to despair, and even now I fear are thinking of taking rebel arms for the sake of personal protection. In this we lose the most valuable stake we have in the South. My dispatch to which yours is an answer was sent with the knowledge of Senator Johnson and Representative Maynard, of East Tennessee, and they will be upon me to know the answer, which I can not safely show them. They would despair; possibly resign to go and save their families somehow or die with them.

I do not intend this to be an order in any sense, but merely, as intimated before, to show you the grounds of my anxiety.

Yours, very truly,

A. LINCOLN.

Brigadier-General Bustle

BURNSIDE'S FIELD ORDER CALLING OUT THE NATIONAL GUARD OF EAST TENNESSEE.

General Field Orders | Headquarters, Army of the Ohio, No. 10. | September 15, 1863. |
For the better defense of East Tennessee, the loyal citizens are hereby invited and authorized to form themselves into companies which will be known as the "National Guard" of East Tennessee. The company organization will be as follows:
One captain, I first lieutenant, I second lieutenant, I first sergeant, 4 sergeants, 8 corporals, 2 musicians, I wagoner, and 64 privates minimum, 82 privates maximum.
The companies will select their own officers, and as soon as the organization is complete, either the captain or some other responsible officer will report at these headquarters with a roll of the company, when arms, ammunition, and necessary equipments will be issued.
The companies will be mustered into the service of the United States when called out by competentauthority and will receive pay and allowances given other troops of the same arm in the volunteer service.
So soon as the term for which their services are actually required expires, they will be ordered to their homes, retaining, however, their arms and equipments.
The organization of the companies of the "National Guard" of East Tennessee into regiments, and the appointment of field officers will be made at the proper time from these headquarters.
The loyal citizens of East Tennessee are called upon to be active in forming themselves into companies in order that they may be armed with the least possible delay.
The Government places arms at their disposal to be used in defense of their homes, and it is to be hoped that they will come forward with promptness and do their part toward securing their several counties from invasion.
By command of Major-General Burnside.

LEWIS RICHMOND, Assistant Adjutant-General.

LEWIS RICHMOND, Assistant Adjutant-General.

ARMS ISSUED TO THE NATIONAL GUARDS

Following also are copies of record entries of letters relating to the force sent from the headquarters of the Army of the Ohio and district of East Tennessee:

HEADQUARTERS, ARMY OF THE OHIO, Knoxville, Tenn., September 17, 1863.

Knoxville, Tenn.. September 17, 1863.

You may deem proper to "Home Guards" on your being satisfied of their loyalty.

You can issue them from the arms issued at the Gap.

Inclosed is the general order creating a National Guard. You will please report when any companies are organized under its provisions.

You will probably remain in permanent command at the Gap.

I am, Colonel, very respectfully.

LEWIS RICHMOND,
Assistant Adjutant-General.

Col. W. C. LEMERT, Commanding at Cumberland Gap.

BLOUNT COUNTY COMPANY ARREST.

HEADQUARTERS, ARMY OF THE OHIO,

September 17, 1963. CAPTAIN WALKER'S BLOUNT COUNTY COMPANY ARMED. Special Field Orders

12. The following issues of ordnance stores by Mr. C. E. Mallam, in charge of ordnance train, upon the verbal instructions of the commanding general are hereby approved.

September 16.—To Capt. E. Walker [National Guards, Blount County], 100 rifled muskets with accouterments and 100 rounds of ammunition per gun. By command of Major-General Burnside:

R. H. I. GODDARD, Capt. and A. D. C. and A. A. A. G.

302 This Blount County company of National Guards was armed the day after Field Order No. 10 was issued, and this by the verbal orders of General Burnside. CAPTAIN TIPTON'S SEVIER COUNTY COMPANY CALLED OUT. Special Field Orders | No. 37. HEADQUARTERS, ARMY OF THE ORIO, Knoxville, Tenn., September 22, 1863. So. 31.

6. Capt. B. F. Tipton's Company of the National Guard of East Tennessee, Sevier County, Tenn., is hereby called into the service of the United States for ten days from this date for the purpose of guarding the ordnance stores at Sevierville. They will provide their own subsistence, which will be commuted for at the Government valuation of rations.

By command of Major-General Burnside.

R. H. I. GODDARD. R. H. I. GODDARD, Captain and A. D. C. and A. A. A. G. This order shows that their subsistence was to be commuted for, which has never been done. CAPTAIN M'CONNELL'S BLOUNT COUNTY COMPANY ARMED. HEADQUARTERS, ARMY OF THE OHIO, September 23, 1863. By command of Major-General Burnside. R. H. I. GODDARD, Captain and A. D. C. and A. A. A. G. CAPT. DANIEL CARTER'S JEFFERSON COUNTY COMPANY RECOGNIZED The "Letters Received" book kept at the headquarters of the Army of the Ohio contains the following entry of a letter received, OCTOBER 15, 1863. This official entry shows a literal compliance with Field Order HEADQUARTERS, ARMY OF THE OHIO. Special Field Order | No. 49. 3. Capt. Daniel Carter, commanding Company A. National Guard of East Tennessee, Jofferson County, is hereby authorized to swear into the service of the United States such men as may be recruited for his company. By command of Major-General Burnside. EDWARD M. NEILL,
Major and Assistant Adjutant-General. The Special Field Order No. 29, dated September 25, 1863, directing Capt. R. C. Crawford to muster into the service of the United States the National Guards, and the oath administered, will be found in the body of the speech. CAPTAIN TIPTON'S SEVIER COUNTY COMPANY AGAIN RECOGNIZED. HEADQUARTERS, ARMY OF THE OHIO, October 16, 1863. Special Field Orders | No. 50. 6. Capt. W. H. Harris, chief of ordnance, Department of Ohio, will issue to Captain Tipton, of the National Guard of East Tennessee, in Blount County, one hundred and thirty (130) rounds of ammunition each. By command of Major-General Burnside.

Special Field Orders | No. 28. 3. Lieutenant Williams, post ordnance officer, Knoxville, Tenn., will issue to Capt. Newton McConnell. of Blount County, for the use of the National Guard of East Tennessee, 100 stand rifled arms and accounterments complete, with 100 rounds ammunition per musket. the original of which has not been found on file: CARTER, DANIEL, Captain. JEFFERSON, TENN., October 10, 1863.

Transmits issue of election of officers in company of "Home Guards."
Gives names of officers elected and names of members of the company. No. 10 on the part of Captain Carter in transmitting the muster roll of his company to headquarters. EDWARD M. NEILL,
Major and Assistant Adjutant-General. On September 22, 1863, this company was called out for ten days. See order above. THE NATIONAL GUARDS OF COCKE AND SEVIER COUNTIES CALLED OUT. Special Field Orders HEADQUARTERS, ARMY OF THE OHIO, November 25, 1863.

4. The National Guard of Cocke County are hereby called into active service for thirty days.

They will report to Major Randolph.

6. The National Guard of Sevier County are hereby called into active ser-

CAPTAIN CARTER'S JEFFERSON COUNTY COMPANY FURTHER ARMED.

No. 78.

11. Lieutenant Williams, post ordnance officer, will issue to Capt. Daniel Carter, for the further equipment of Company A, of the National Guard of East Tennessee, -feferson County, thirty (30) muskets and accounterments, will fifty (30) rounds of ammunition per musket. The Quartermaster's Department will furnish trunsportation for the above by railroad to Newmarket.

By command of Major-General Burnside, EDWARD M. NEILL, Assistant Adjutant-General.

EDWARD M. NEILL,
Assistant Adjutant-General,

HEADQUARTERS, ARMY OF THE OHIO,

vice for thirty days.

They will report to Major Inman, at Sevierville. By command of Major-General Burnside.

Special Field Orders

THE SCOTT, MORGAN, AND CAMPBELL COUNTY COMPANIES CALLED OUT. Special Field Orders HEADQUARTERS, ARMY OF THE OHIO, November 27, 1963, 1. The National Guard of Scott, Morgan, and campbell Counties are hereby called into active service for thirty (30) days, and will report to Captain Reynolds, at Kingston, Tenn. By command of Major-General Burnside.

EDWARD M. NEILL,

Assistant Adjutant-General, Three of the companies of National Guards of Scott, Morgan, and Campbell counties are alleged to have been paid for three months. The companies admit payment for two months. These three companies are also under the pension laws and are the three companies excepted in the body of the speech.

CAPTAIN KELLEY'S SEVIEB COUNTY COMPANY RECOGNIZED. READQUARTERS, ARMY OF THE OHIO, December 1, 1863. Special Field Orders | No. 98. 5. Lieut. R. Williams, post ordnance officer, will turn over to Capt. Daniel Kelley, National Guard, 75 stand arms and accounterments, with 40 rounds of ammunition per gun. This order to cover issues of October 16, 1863, and 31, respectively. By command of Major-General Burnside. EDWARD M. NEILL, Assistant Adjutant-General, FOUR COMPANIES OF NATIONAL GUARDS ORDERED TO BE PAID.

HEADQUARTERS, ARMY OF THE OHIO, December 10, 1963. Special Field Orders | No. 108. 8. Major McDowell, chief paymaster, will designate a paymaster to proceed to Clinton, East Tennessee, to pay off the four companies, National Guard who were called into service for sixty days by orders from these headquarters. The officer to be in Clinton on the 14th inst. By command Major-General Burnside. EDWARD M. NEILL, Assistant Adjutant-General,

The three companies from Scott, Morgan, and Campbell, commanded, respectively, by Capts. Dennis Trammell, Wimer Croley, and Joseph Newport, were paid under this order. Which was the fourth company ordered to be paid does not appear; and the order calling out these four companies seems to be missing.

CAPTAIN BANDAL'S SEVIER COUNTY COMPANY ORDERED OUT FOR SIXTY DAYS.

HEADQUARTERS, DEPARTMENT OF OHIO, December 22, 1863. Special Field Orders | No. 114. Extract. 12. Capt. S. W. Randal commanding company of "Home Guards" stationed about Sevierville, being ordered out by General Burnside for thirty days, is hereby ordered to remain in the service for service for thirty days from the expiration of that time.

By command of Major-General Foster.

Major and A. D. C.

CAPT. GIDEON S. WHITE'S KNOX COUNTY COMPANY RECOGNIZED.

CAPT. GIDEON S. WHITE'S KNOK COUNTY COMPANY RECOGNIZED.

HEADQUARTERS, DISTRICT OF EAST TENNESSEE AND
FOURTH DIVISION TWENTY-THIRD ARMY CORPS,
Knoxville, Tenn., January 30, 1836.

LIEUTENANT: In accordance with Special Orders No. 202, series of 1864, from
Department of the Ohio, you will please issue to Gideon S. White, captain of
Home Guards in Knox County, third civil district, the following ammunition
for the use of his company: 280 rounds Spencer rife ammunition, 200
rounds Colt's revolving rifle ammunition, 280 rounds Austrian rifle ammunition,
Very respectfully, your obedient servant,

DAVIS TILLSON,

Brig. Gen., U. S. Vols., Commanding District and Division.

Lieut. Ed. G. Fechet, Depot Ordnance Officer.

Depot Ordnarcs Officer.

Headquarters, District of East Tennessee and Fourth Division, Twenty-third Army Corps, Knowille, Tenn., February 10, 1825.

Colonel: The general commanding directs that you order two commissioned officers and 50 enlisted men from detachment of Second Ohio Volunteer Heavy Artillery, now at Strawberry Flains, provided with 60 rounds of ammunities and three days' rations per man, to proceed to Biain's Cross Boads, so co to be at that place by 30 clock p. m. on Saturday, February 16, to cooperate with Capt. G. S. White, of the Home Guarda, in an expedition after bushwhackers.

Most respectfully, your obedient servant.

W. W. DEANE, Capt. and A. A. G.

Col. C. G. Gibson,
Commanding Second Brigade, Fourth Division,
Twenty-third Army Corps.

Headquarters, District of Rast Tennessee, Knoxville, Tenn., April 11, 1965.

Lieutenant: In compliance with Special Orders No. 202, Department of the Ohio, series of 1864, you are directed to issue to Capt. G. S. White, commanding Home Guards, Knox County, Tenn., the following ammunition: 280 Spencer rifle cartridges; 200 Burnside carbine cartridges; 200 Colts

revolving rifle cartridges; 1,500 Enfield rifle cartridges, caliber .50; 1,500 cart-fidges, caliber 54; 100 Ballard carbine cartridges. By command of Major-General Stoneman:

Lieut., A. D. C., and A. A. A. G.

Lieut. E. G. FECHET, Commanding Ordnance Depot, Knozville, Tenn.

THE GUARDS RECOGNIZED IN JULY, 1864.

Special Orders Headquarters, Department of the Ohio, No. 202.

The ordnance department, Knoxville, Tenn., July 23, 1864.

2. The ordnance department, Knoxville, Tenn., will issue ammunition to Home Guards in the district of East Tennessee upon the approval or request of Brig. Gen. J. Ammen, commanding Fourth Division, Twenty-third Army Corps.

By command of Major-General Schofield:

R. MORROW,
Assistant Adjutant-General

This order says "Home" Guards; but on comparison of the varions orders above given it will be seen that the National Guards are sometimes designated "Home Guards." It will be noted that this order recognizes the guards as still subject to orders ten months after they were first called out.

ARMY REGULATIONS APPLICABLE TO THE NATIONAL GUARDS.

Revised United States Army Regulations, 1868, page 482, section 1672, read as follows:

If, as has sometimes happened, militia, at the end of a term of service, shall, from the want of a mustering officer, disperse or return home without being regularly mustered out, and if, with a view to payment, a muster shall afterwards be ordered by competent authority, the officer sent for the purpose shall carefully verify all the facts affecting pay, by the oath of one or more of the officers belonging to such militia, in order that full justice may be dense.

This was the military law when the National Guards were mustered and when disbanded, and it admirably provides for just such emergencies as exist in the case of these guards. The Guards were never formally disbanded, but remained subject to orders until the war ended.

until the war ended.

THE NATIONAL GUARDS IN THE WAR RECORDS.

There are many references to the National Guards in the published volumes of the War Records, sometimes miscalling them home guards. These records show that whenever the Confederates appeared in the neighborhood of Knoxville they were sure to be confronted by companies of the National Guards. Whenever forage was to be had, roads to be guarded, trains to be escorted, scouting to be done, bushwhackers and guerrillas to be dispersed, spies to be intercepted, stragglers to be picked up, and reconnoitering to be done, the National Guards of East Tennessee were always called on and always ready, and always did the work to the satisfaction of their superiors and with credit to themselves.

The following affidavits from the muster-out rolls of two com-panies of the National Guards, forwarded to the War Department by their respective captains, are given as samples of the

services rendered by these Guards:

CAPTAIN RANDLES'S COMPANY.

STATE OF TENNESSEE, County of Sevier, sa:

STATE OF TENNESSEE, County of Sevier, as:

On this the Zith day of March, 1878, came Samuel W. Bandles, who, being duly sworn according to law, in relation to the military organization, service, and history of this company of East Tennessee National Home Guards, United States Volunteera, deposes and says, that he is a citizon of Sevier County. Tenn., address Trundles Crossroads, Tenn., and the identical Samuel W. Randles who organized, raised, and commanded a company of East Tennessee National Home Guards, United States Volunteera, during the late war; that he raised said company under General Order No. 10. dated "headquarters Army of the Ohio, Knoxville, Tenn., September 15, 1863," as issued by Maj. Gen. A. E. Burnside, commanding, and in obedience to orders from the honorable Secretary of War, Washington, D. C.; that affiant, as captain, together with the officers, noncommissioned officers, and privates whose names appear on this roll, were organized at Trundles Crossroads, Sevier County, Tenn., on the late day of October, 1863, and regularly mustered into the United States service at Trundles Crossroads, Sevier County, Tenn., on the little day of October, 1863, and regularly mustered into the United States service at Trundles Crossroads, Sevier County, Tenn., on the First Tennessee Regiment of Light Artillery, at which time a rough or memorandum roll was furnished said mustering officer, who then instructed affiant to make out a complete muster roll of said company, in regular official form, and bring the same to him at Knox ville, Tenn., in order that he might file it with the War Department, and which orders or instructions affiant to make out a complete am formal muster roll of said company and taking and delivering the same to said Crawford at Knox ville, Tenn., within a period of two or three days from date of muster of said company and taking and delivering the same to said Crawford at Knox ville, Tenn., to take his company and act as guard in taking a lot of United States Government hogs to Knox ville

and southeast of Knoxville, Tenn., where the main army was stationed, for they protected the forage thereof, which was the richest portion of country around Knoxville and the main dependence of the army at that place during that time; that during the time of the service of said company they captured about 20 rebel prisoners and turned them over to General Burnside at Knoxville, Tenn.; that at one time they captured 22 or 23 rebelt in one company, near Waylands Mill, Sevier County, Tenn., and turned the same over at Knoxville. This was about the latter part of December, 1863. Affiant states that it was his company while on said service and duty that captured one E. A. Dodd, the Texas ranger and rebel spy, who was tried by military courtmartial, found guilty, and hung at Knoxville. Tenn., and in regard to this roll he states that John Cunningham was found unable to do service and was sent home; **o** o** that John Jones was captured about 4 miles east of Knoxville. Tenn., by the rebels, and died in Andersonville prison, Georgia, 1864; that James W. Shelly left and went to Third Tennessee Cavalry; that George Wade was old, and went home and did no service; that George Stoner was sent home about 1st of December, 1865, on account that he could not hear well. ** a Affiant states that he received 75 United States muskets from General Burnside, together with ammunition which they drew at the date of enrollment of this company for use of same; that affiant came up from Knoxville to Trundles Croseroads with said arms or muskets and ammunition, and which was hauled by Captain Pike, accompanied by about 80 or 90 United States soldiers each by General Burnside, who superintended the loading of the wagons with same at Knoxville, Tenn. Regular monthly pay as allowed to United States soldiers at that time was promised them, as also commutation for clothing and company and states due to the tothis company's history and service performed by said company are stated as accurately as is possible to do at this time, all of which is

SAMUEL W. RANDLES. Late Captain East Tennessee National Home Guards, United States Volunteers.

Sworn to and subscribed before me this 27th day of March, 1878, by Capt. Samuel W. Randles, late captain East Tennessee National Guards, and he fully understood the above. I am not interested.

[SEAL.]

WILLIAM FOWLER, County Court Clerk.

INDORSEMENTS ON CAPTAIN RANDLES'S MUSTER-OUT ROLL.

INDORSEMENTS ON CAPTAIN RANDLES'S MUSTER-OUT ROLL.

STATE OF TENNESSEE, County of Sevier, as:

On this the 2d day of April, 1878, came Adam Creswell, and states on oath that he is the identical Adam Creswell who served as first lieutenant in Capt. Samuel W. Randie's company of East Tennessee National Guard, war of rebellion, and that this roll contains a correct and true list of said company, and that the history, service, and facts set forth in Capt. Samuel W. Randle's affidavit on the other side of this roll is correct in its statements, or as near so as can be made at this time.

ADAM CRESWELL, First Lieutenant.

Sworn to and subscribed before me this the 2d day of April, 1878, by Adam reswell, who understands the contents of this roll. I am not interested.

WILLIAM FOWLER,

County Court Clerk.

Headquarters, Army of the Ohio, Knoxville, Tenn., November 1, 1863. General Field Orders

No. 25.

Knoxville, Tenn., November 1, 1863.

The members of the National Guard of East Tennessee are authorized to arrest any soldiers they may find straggling about the country without proper papers, and also such citizens as are known to have been guilty of acts of oppression and eruelty to Union men, and generally any suspicious characters who may not be able to give a satisfactory account of themselves. Such prisoners will be handed over without delay to the nearest provost marshal or military commander, together with a full statement of the circumstances under which they were arrested. Charges, substantiated by full affidavits, must in all cases accompany the delivery of prisoners.

By command of Major-General Burnside.

LEWIS RICHMOND, A. A. G.

Official.

Assistant Adjutant-General.

BOWMANS FERRY, KNOX COUNTY, TENN., November 20, 1863. CADE S. W. RANDLES, OR WHOEVER IS IN COMMAND OF NATIONAL GUARDS:

You are hereby commanded to bring all your effective men and report at once to me at this place, together with all their arms and equipments. Mount your men as much as possible.

G. W. DOUGHTY, Captain Commanding Seventeenth Tennessee Cavalry.

P. S.—I am ordered by the post commander to take command of all this section of country, and of course you are all under my command.

KNOXVILLE, November 26, 1863.

Sire: I want you to meet me with your company this side of this place. I lil have a wagon of arms on the road. I want you to send one of your men Captain Kelley and tell him to come with his men to Sevierville as quick

as he can. Yours, in haste, CHARLES INMAN,
Deputy Provost-Marshal.

Capt. S. RANDLES.

CAPTAIN TIPTON'S COMPANY.

CAPTAIN TIPTON'S COMPANY.

CAPTAIN TIPTON'S COMPANY.

On this the 3d day of April, 1878, came Capt. Benjamin F. Tipton, who being duly sworn according to law in relation to the military organization, service, and history of this company of East Tennessee National Guards, United States Volunteers, deposes and says that he is a citizen of Sevierville, Sevier County, Tenn., address, Sevierville, Tenn., and the identical B. F. Tipton who organized, raised, and commanded a company of East Tennessee National Home Guards, United States Volunteers, during the late war of rebellion; that he raised said company under order No. 10, dated "Headquarters Army

of the Ohio. Knorville. Tenn., September 15, 1863," as issued by Maj. Gen. A. E. Burnside, commanding, and in obedience to orders from the honorable Sectember, and the control of the Con

Sworn to and subscribed before me this April 3.1878, by Capt. B. F. Tipton WILLIAM FOWLER, Clerk.

STATE OF TENNESSEE, County of Sevier, ss:

I, John S. Roberts, do state on oath that this roll containing the names of the members of Capt. B. F. Tipton's company of East Tennessee National Guards is correct and true and the affidavit of Capt. B. F. Tipton, on the opposite side of this roll, sets forth the facts and history of this said company as accurately as can be made at this time. I also state that I was first lieutenant in this said company of East Tennessee National Guards, and am acquainted with the contents of this roll and the statements thereon and know them to be true. JOHN S. ROBERTS.

Sworn to and subscribed before me this the 3d day of April, 1878, by John Roberts, who understood the entire contents of this roll before signing S. Robe. the above. [SEAL.]

WILLIAM FOWLER, Clerk

The companies of National Guards commanded by Capts. Dan-The Companies of National Guards commanded by Capis. Daniel Kelley, Nathaniel M. Baker, and Jacob Tyson, of Sevier County; Newton McConnell, Elijah Walker, Hamilton Tipton, and William Bingham, of Blount County; Gideon S. White, of Knox County; William Shelby, of Union County; Daniel Carter, of Jefferson County, and Russell Jenkins and Jefferson Denton, of Cocke County, rendered like valuable, brave, and patriotic services.

AFFIDAVIT OF MAJ. CHARLES INMAN.

STATE OF TENNESSEE, County of Sevier:

STATE OF TENNESSEE, County of Sevier:

On this 24th day of January, 1896, personally appeared before me, a clerk of the county court in and for the county aforesaid, Charles Inman, aged 88 years, whose post-office address is Fair Garden, Sevier County, Tenn., deposeth and says as follows: I was major of the Second Regiment of Tennessee Volunteer Cavairy, and was appointed provost-marshal by Gen. A. E. Burnside on or about the 18th day of September, 1883, and was ordered to Sevierville, county of Sevier, and State of Tennessee, by Gen. A. E. Burnside, to do duty there, and served five months there as provost-marshal, and the National Guards of Sevier County, Tenn., reported to me for duty. The companies that reported to me were commanded by Capt. B. F. Tipton. Capt. Daniel Kelley, Capt. Samuel W. Randles, Capt. Nathaniel M. Baker, all of Sevier County, Tenn., and did service in guarding Government arms and ammunition at Sevierville, and did duty as scouts, and had many skirmishes and battles with the rebels, and captured many prisoners, but I do not remember the exact number of skirmishes or battles or number of prisoners the National Guards captured. The prisoners captured were sent to Knoxville, Tenn., and turned over to General Carter. In a battle they had with

the rebels at Gatlinburg, Sevier County, Tenn., they killed and wounded several rebels in that engagement, I do not remember the exact number, and in an engagement the guards had with the rebels near Fair Garden, Sevier County, Tenn., they killed some rebels in that engagement; do not remember the exact number, and there was a six of the National Guards killed by the rebels, and there was a part of B. F. Tipton's company and a majority of Capt. Daniel Kelley's company captured at Sevierville, Tenn., and paroled by Colonel Thomas, of North Carolina, who commanded a rebel regiment of Indians, on or about January, 1864. I do not remember the exact number captured of the National Guard. These National Guards were recognized by the following United States officers, to wit: Gen. A. E. Burnside, General Carter, Colonel Palmer, of the Fifteenth Regiment Pennsylvania Cavalry, and Colonel Crawford. By A. E. Burnside in issuing orders to me to be executed by these guards, and General Carter issuing orders to me to have the guards to execute, and by Colonel Palmer by having the guards to assist him in scouting the country. It was always my understanding that these guards were sworn into the United States service by Col. E. Clay Crawford. I was not present when they were sworn into service. It was done at Sevierville, except Sanuel W. Randles's company was sworn in at Trundles Cross Roads, Sevier County, Tenn., and I recognized and treated the National Guards as United States sofiders. I do not remember the whole number of prisoners as United States sofiders by ordering them on duty. I. with these National Guards, went with Colonel Palmer and his regiment to Cosby Creek, Cocke County, Tenn., and appured General Vanne and 166 men and 30 horses, and I remember: Capt. B. F. Tipton; First Lieut. J. S. Roberts; Scood Lieut. John Lewelling; Levis C. Roberts, first sergeant, and Capt. Nathaniel M. Baker; Carrol Shrader, first lieutenant; and Joseph McAndrews, first sergeant; Capt. Samuel W. Randles; John Rose, lieutenant; Capt. Da

CHARLES INMAN.

Attest: P. P. SEATON. ELI H. ROBERTS.

Personally appeared before me, John Chandler, clerk of the county court of aforesaid county and State, Charles Inman, who, being duly sworn, says the foregoing is true and correct, and he has no interest in said claim. This January 24, 1866.

JOHN CHANDLER, County Clerk.

CAPT. JOSHUA J. DUNCAN'S COMPANY OF HOME GUARDS.

THE STATE OF TENNESSEE, Campbell County, so:

THE STATE OF TENNESSEE, Campbell County, ss:

Personally came before me, the undersigned authority, a notary public within and for said county, Joshua J. Duncan, who is personally known to me, and who, after being duly sworn, deposed and says as follows, viz:

At the beginning of the late civil war I was a citizen of East Tennessoe; resided in Scott County, on the border between Tennessee and Kentucky, it being a mountainous section of country and principally composed of citizens who were loyal to the Government of the United States.

At the outbreak of the war, or early in 1861, a number of the men made their way over into Kentucky and volunteered in the Federal Army with the hope and understanding that the soldiers would soon return to the South and their families and property receive protection.

But very soon the country was being invaded and overrun with squads and companies of Confederates and guerrillas, taking from the citizens all the firearms, ammunition, etc., they could find, and arresting loyal men and requiring them to take the oath of allegiance to the Southern Confederacy or remain prisoners.

companies of Confederates and guerrillas, taking from the citizens all the firearms, ammunition, etc., they could find, and arresting loyal men and requiring them to take the oath of allegiance to the Southern Confederacy or remain prisoners.

And it being the section of country through which the Union men in Tennessee from south of the Cumberland Mountains had to pass when forced by the Confederates to leave their homes and families and make their way over the mountains to the Federal Army, it was becoming very perilous for them. In consequence of all which, on or about the 19th day of October, 1861, I, as captain, recruited or raised a company of Federal or Union Home Guards. Said company at one time consisted of over 100 me. In said number several were over and some under military age, and each and all acting under outh, in substance, to support the Constitution of United States of America and protect and defend the Union, and also the persons and property of loyal citizens. The company furnished its own arms and ammunition, except occasionslly when the opportunity afforded it, we would get small amounts of ammunition from the Federal Army in Kentucky. We also furnished our own rations, etc., so far as possible, but very often, and not infrequently, being dependent upon the hospitalities of the loyal people among whom our lot was cast.

At the time I organized said home guard company the country was, as well as by Confederate soldiers, being also invaded by a company of Confederate guerrillas, then known as the Gibson Company, most of whom were East Tennesseans and well acquainted with the entire country along the border. This company, together with squads of Confederates, was invading the country very often by right, as well as by day, taking loyal men prisoners, shooting some of them, and carrying away their property, and hunting down and capturing all the men they could when were making their way over the mountains and hurriedly and as secretly as possible went to Thomas Chamberts, a very old but wealthy

Huntsville, Tenn, the infantry encamping on Captain Robbins's premises, the cavalry raiding the country as far as Huntsville, cutting down the flag the Stars and Stripes) reared over the court-house by the home guard, and then harriedly fell back to camps. In the meantime the infantry was burning and destroying the fencing, barns, and other effects of Captain Robbins and others in the immediate vicinity, and taking all the available property, including household goods, etc.

On receiving a dispatch I at once marched with as many of my company as were then available and not absent on other duty, and after marching a dispatch of the dawn of about 15 miles and in the meantime being reenforced by Captain Cotton, with perhaps about 40 men, our entire force not exceeding 100 men, at the dawn of day the next morning we attacked and surprised the rebel pickets and skirmishers, and after a very heated engagement and skirmish fight forced them to retreat and drove them in, capturing one gun and some of their blankets and other camp equipage. Then taking advantage of the grounds, so as to evade the enemy's cavalry, we advanced within shooting range of the main force, and while engaged in a very heated, perilous, and langerous battle the enemy, by a flank movement, unobserved by me or any of our force, surrounded us, or nearly so, by a large force, and I was compelled to order a retreat; and we fought and fell back out of their lines with a loss of two killed, two severely wounded, and two taken prisoners. As soon as the negagement ceased the rebels started on a retreat back south of the mountains.

In the early part of the summer of 1862, as now remembered, Col. William

cores, surrounded us, or nearly so, by a large force, and I was compelled to reder a retreat; and we fought and fell back out of their lines with a loss of two killed, two severely wounded, and two taken prisoners. As soon as the engagement ceased the rebels started on a retreat back south of the mountains.

In the early part of the summer of 1823, as now remembered, Col. William Cliff the control of the con

Subscribed and sworn to before me at office in Elk Valley, Tenn., this the 2d day of December, A. D. 1895.

[SEAL.]

LEWIS BAIRD, Notary Public.

THE STATE OF TENNESSEE, Campbell County, as:

Personally appeared before me, the undersigned authority, a notary public within and for said county. Drewry Smith, aged 69 years; William Cooper, aged 66; A. J. Cross, aged 59 years; Andrew Thompson, aged 57 years; N. P. Cross, aged 57 years; J. G. Robinson, aged 69 years; W. H. Cross, aged 57 years; F. H. Standley, aged 58 years; Ewell Phillips, aged 56 years, who to be credible personally known to me to be credible persons, and who, after being duly sworm, deposed and say as follows, viz.

credible persons, and who, after being duly sworn, deposed and say as fol-lews, viz:

We was personally acquainted with Joshua J. Duncan before and at the commencement of the late civil war, and have been ever since. We further say, each for ourselves, that we were members of said Duncan's Home Guard Company and served under him as captain during said entire service.

We further say that we carefully read and heard read the foregoing affi-davit and statements of said Joshua J. Duncan, and each say for ourselves,

respectively, that to the best of our knowledge, recollections, and belief all of the material facts set forth and statements made in said foregoing affidavit of said Joshua J. Duncan is substantially true and correct, and any statements made therein to which we may not have severally been eyewitnesses to, we have every reason to believe to be correct.

We further say that we each make this our affidavit Exhibit A to said foregoing affidavit and statements of said Joshua J. Duncan.

DREWRY SMITH.

J. G. ROBINSON.

W. H. CROSS.

WILLIAM (his x mark) COOPER.

N. P. CROSS.

F. H. STANDLEY.

EWEEL PHILLIPS.

ANDREW (his x mark) THOMPSON.

A. J. CROSS.

Subscribed and sworn to before me at office in Elk Valley, Tenn., this the

Subscribed and sworn to before me at office in Elk Valley, Tenn., this the 2d day of December, 1895. LEWIS BAIRD, Notary Public.

CAPT. WILLIAM A. HEMBREE'S COMPANY OF HOME GUARDS

CAPT. WILLIAM A. HEMBREE'S COMPANY OF HOME GUARDS.

About the 1st of August, 1861, a company or band of rebel guerrillas was organized in Scott County, Tenn., near the head of New River, by a man named Gibson. This company was composed of men from Scott, Anderson, and Campbell counties and numbered about 100 men.

A very large majority of the people of Scott County were Union men, and many of them had at the date above mentioned joined the Union Army. When Gibson's band of marauders was organized, not only were the citizens of the mountains along the waters of New River exposed to dangers which they were powerless to resist, but the direct route taken by soldiers going from Anderson, Campbell, Knoz, and other counties south of Scott led through these mountain passes, and the prime object of this band seemed to be to guard these passes and thus prevent Union men from passing through to join the Union Army in Kentucky. This section of the State was so sparsely settled and so remote from the centers of population that aid from other counties was not to be thought of, wherefore it became imperative that loyal citizens do something for the protection of themselves and the families of those who had joined the Union Army.

In accordance with the above state of affairs Capt. William A. Hembree, on or about the 1st day of October, 1861, organized a company which was known as the "Scott County Home Guards." Captain Hembree's company was composed of about 60 men. 2 2

Some of the skirmishes and battles in which Captain Hembree's company were engaged are as follows:

1. A skirmish on Beech Fork of New River, about December 25, 1861.

2. A battle on Smoky Creek, on the 12th day of February, 1862. In this engagement Capt. William A. Hembree and Thomas Duncan, jr., were severely wounded, and 4 of our number were captured.

3. A raid in Anderson County, about July 15, 1862, in which we captured 7 men.

4. A battle on the head of New River, about August, 1862. In this engage

wounded, and 4 of our number were captured.

3. A raid in Anderson County, about July 15, 1862, in which we captured 7 men.

4. A battle on the head of New River, about August, 1862. In this engagement the enemy lost several in killed, wounded, and captured.

5. A battle on Poplar Creek, about October 1, 1862. At this place we rescued one of our men who had been previously captured by the rebels. Nine of the enemy were killed and several wounded.

6. A battle on the head of New River. In this battle we had 1 man killed and 2 wounded. This was about December, 1862.

7. A battle on Bowling Mountain, about March 1, 1863. Our side had 2 men killed in this engagement.

8. About March 15, 1863, we had askirmish near the mouth of Smoky Creek, in which the enemy were repulsed and driven back.

9. About July 12, 1863, we had an engagement in which we suffered as follows: Riley Overton killed. Wiley 8. Rich wounded, and 1 man captured.

10. A battle near Lees Ferry, in Anderson County, in which we were repulsed. In this battle John Brown was wounded.

11. About October 10, 1863, we made a raid in Anderson County. In addition to the above raids, skirmishes, and battles, some of our number were continually escorting Union men through the mountains to Kentucky, where they could join Union regiments. Our knowledge of all the mountain passes made us capable of rendering valuable service in this way, and indeed there was much of the time when it would have been next to impossible for a Union man to cross the mountains without a guide who was thoroughly familiar with all the country.

W. A. HEMBREE. Captain.

D. JEFFERS, First Lieutenant.

W. A. HEMBREE, Captain. D. JEFFERS, First Lieutenant, WM. (his x mark) LOW.

STATE OF TENNESSEE, Scott County:

Personally appeared before me, the undersigned authority, William A. Hembree, D. Jeffers, Wm. Low, sr., and being duly sworn make oath and say that the foregoing statements in regard to Capt. William A. Hembree's Scott County Home Guards are true to the best of their recollection, information, and belief.

W. A. HEMBREE, Captain. D. JEFFERS, First Lieutenant. WM. (his x mark) LOW.

Sworn to and subscribed before me this 20th day of February, 1896, [BEAL.]

H. REED, Cierk County Court,

The companies of Home Guards commanded by Capts. Wayne W. Cotton and William Robbins rendered similar services and have a like record of heroic and patriotic deeds.

NUMBER OF PENSIONERS IN 1890 IN THE LOYAL STATES, PER CONGRESSIONAL DISTRICT.

State.	Pensioners.	Congres- sional districts.	Average per district,
Maine New Hampshire	15,924 7,035	4 2	3,981 3,517
Vermont	7,541 21,897 6,807	13 4	3,770 1,684 1,70
Rhode Island	2, 258 50, 206 49, 578	34 30	1,149 1,470
New Jersey Maryland	9, 894 5, 159	8 6	1,23
Ohio	57,087 47,798	21	2,71

SUMBER OF PENSIONERS IN 1800 IN THE LOYAL STATES, ETC .- continued.

State.	Pensioners.	Congressional districts.	Average per district.
Illinois	39, 943 26, 853 16, 788 23, 189 9, 259 23, 749 0, 531 22, 321 6, 542 1, 893 15, 909	23 18 10 11 7 15 6 7 7 2 11	1,810 2,288 1,679 2,108 1,523 1,583 1,589 3,189 035 944 1,444 \$ 2,53 1,2648

* First district

†Second district.

VOTE OF THE SECOND CONGRESSIONAL DISTRICT OF TENNESSEE FOR GOV ERNOR IN 1894.

County.	Evans, Repub- lican.	Turney, Demo- crat.
Anderson Blount Campbell Jefferson Knox Loudon Morgan Roane Scott Serier	1,502 2,232 1,863 2,328 4,597 1,254 702 2,320 1,336 2,911 1,679	869 849 840 740 8,274 300 248 616 137 872 464
Total	22,744	7,788

Republican majority, 14,936,

Pensions.

REMARKS

OB

HON. ROBERT J. GAMBLE,

OF SOUTH DAKOTA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 25, 1896,

On the bill (H. R. 8271) relating to pensions.

Mr. GAMBLE said:

Mr. SPEAKER: It is not my purpose to detain the House at any length in the discussion of the pending bill. My sense of justice, however, compels me to add a few words in justification of the measure, and especially of the fourth section of the bill. I have the honor in part to represent a large constituency of the vetrans of the late war. As far as in me lies their sacrifices during that trying crisis of our history shall have just and honorable recognition. It is this motive that impels me, and a resolution early made after my election to this House to aid in whatever way I could in the enactment of a law to prevent what has appeared to me a wanton and violent assault upon the pension rolls of the Government by the present Administration.

Very early in the present session, in order to resist this general onslaught upon the deserving pensioners, I introduced the following bill, which I will insert as a part of my remarks:

A hill to prevent the reduction or discontinuance of pensions without first giving notice to the pensioner of such intended reduction or discontinuance, and allowing testimony to be submitted in defense thereof, and for other purposes.

other purposes.

Be it exacted by the Senate and House of Representatives of the United States of America in Congress assembled. That from and after the passage of this act no pension heretofore granted or which may hereafter be granted under the pension laws of the United States shall be reduced or discontinued except upon the ground of fraud; and no pension shall be discontinued oxcept have been first duly notified in writing by the Commissioner of Pensions of the grounds upon which such reduction or discontinuance is proposed to be made, giving the substance of the testimony or of the records upon which such proposed action is based, and the said notice shall also contain the names and post-office address of any and all witnesses whose testimony has been submitted, or is proposed to be considered, looking to the impeachment of such pension claim, and the said ponsioner shall have the right to submit testimony to rebut the same or in defense of such proposed reduction or discontinuance for ninety days after the service upon him of the notice hereinfore provided for, and no fund action shall be taken by the Commissioner of Pensions or adjudication had upon such proposed reduction or discontinuance until after the expiration of the time aforessid.

As its provisions have been substantially incorporated as the

As its provisions have been substantially incorporated as the fourth section in the pending measure, I will limit my observa-

tions largely to that part of the bill. I regret that partisanship should manifest itself so strongly in this discussion. To me the provisions referred to seem wise and just, and acrimonious debate is foreign to its fair consideration. Partisanship in popular government is essential in leading forward the best ideals in citizenship. The primal motive of the partisan, however, should be that of the patriot, and the best interests of the whole country, rather than the narrow prejudices of political ascendency. Although we may differ in methods, we should all be imbued with the same patriotic endeavor.

we may diner in methods, we should all be imbued with the same patriotic endeavor.

To my mind, in the just and equitable consideration of pension legislation partisanship should have no place. The sacrifices these men made, the perils and hardships they endured, were for no party or section, but in the largest and fullest sense were for the country in its entirety. A grateful people should thus recognize their sense of gratitude by a common and united expression without division or partisan bias. Our nation has always recognized its high appreciation of the services of its soldiers who risked their lives to preserve the integrity of the Union. I believe a grateful people desire to manifest their gratitude by extending to the mained and stricken, as a result of the perils and hardships of war just and adequate pressions.

mained and stricken, as a result of the perils and hardships of war, just and adequate pensions.

It is idle for the Democratic party to claim credit for the enactment of any of the wise and beneficent provisions of the pension laws now in force. They were all placed upon our statute books by the Republican party, and as a rule opposed by a large percentage of the Democratic organization. A careful history of that legislation was recited on this floor during this discussion by the gentleman from Pennsylvania [Mr. Manon]. It shows that all the pension laws passed since 1873 met the opposition of the Democratic party. In the record of fourteen different votes in Congress upon these different measures there was a total of 417 Democrats in favor of the bills and 648 against. The record of the Republican party, however, stands in strange contrast to that presented by the opposition. The total votes cast by them were 1,086, all in favor of the legislation and none against it. Had the veterans of the war depended upon the Democratic party for relief in the way of pension legislation they would, I fear, have remained in anxious and hopeless waiting.

A like record, only more intensified, comes from the executive department in its hostility to pensioners. From Lincoln to Harrison only five pension vetoes were sent to Congress by Republican Presidents. On the other hand, the present occupant of the White House has made the unenviable record during his incumbency of 542. His petty malevolence has not alone been manifested toward the veterans of the war in vetoing bills for their relief which had passed the scrutiny of Congress, but in one of his messages he made the slanderous charge against the "fraudulent pensioners in thousands of neighborhoods." Has such an assertion been justified by the facts? The report of the Attorney-General for 1895 shows the total criminal prosecutions in the United States courts for that year were 12,495. Of that great number, the total convictions under the pension laws were 229. It must be remembered, however, that of those convicted only 39 were from the list of the veterans of the war.

It seems to me it is a remarkable showing as a result from the ter-

It seems to me it is a remarkable showing as a result from the terrific onslaught that has been so persistently made by the Pension Bureau for the past three years upon the pensioners of the Government. It demonstrates what Republicans have uniformly asserted, that the pension list was an honorable one, and in very few cases has the Government been imposed upon. The pensioners themselves do not object to fair and just investigation. If fraud exists, let it be detected and exposed. But an unwarranted slander should not be cast against the entire list of the honorable and deserving, aggregating now over 970,000. Let those who are on the rolls be treated with consideration and justice.

During the past year the Board of Review of that office has reexamined over 100,000 pension claims already adjudicated and arbitrarily dropped therefrom 4,149 pensioners as not entitled to recognition by the Government. In the same time over 20,000 cases were reduced from the amount already allowed. After such a wholesale and indefensible raid upon the pension list, it seems to me the humber of convictions in the courts is a just and sufficient answer to the general charge of fraud that without any reason has been so often repeated by those who oppose this class of legislation.

son has been so often repeated by those who oppose this class of legislation.

To my mind, the conduct of the Pension Bureau under the present Administration demands the severest condemnation. Where a pension has been granted, after a full and fair hearing, it should have the force and solemnity of the judgment of a court. It should not rest upon the caprice of an individual or a set of individuals to change, revoke, or alter the findings after it has once been adjudicated. The pensioner has a right to rest in security after the Bureau has concluded its judgment, the same as in a court of law. If the finding is to be vacated and set aside let the like procedure apply as in a court of justice. Section 4 of the bill seeks to correct the practice now in vogue.

Its purpose is to abolish any star-chamber investigation that shuns all known rules of enlightened jurisprudence and is fit only to be ranked with the medieval past. It is a well-recognized principle of law that a judgment is not vacated except upon the ground of fraud, and that within a reasonable time after its rendition. I know of no reason why the same rule should not pertain upon the subject of an adjudicated pension. Testimony is submitted by the claimant in compliance with the rules adopted by the Bureau. An investigation is made and a finding entered that should have all the force and effect of a judgment of a court. If this is to be set aside let the same rules of procedure apply as near as may be upon a like hearing in a court. If the rights of the pensioner are to be invaded, and his claim to the bounty of the Government assailed, let the charges be openly made and the names of the persons thus making them be given.

If a judgment is attacked, the particular fraud must be alleged with clearness and certainty, and the court limits its inquiry alone to the charges thus made. The burden of proof rests upon the party assailing the judgment. All legal presumptions favor its validity. But with the practice now in vogue in the Pension Bureau it would seem this rule of law is reversed, and all presumptions are indulged in adverse to sustaining the original finding. Recognized principles of pleading in all courts are discarded tain upon the subject of an adjudicated pension. Testimony is

sumptions are indused in adverse to sustaining the original finding. Recognized principles of pleading in all courts are discarded and charges of fraud are made without any specification, and their authorship is withheld from the pensioner. He is called upon to sustain his claim against a general charge, ignorant of the specifications or the promoter of the attack. The pensioner is practically powerless to protect himself under such procedure. About

cally powerless to protect himself under such procedure. About 20,000 pensions under this practice have been canceled during the present Administration. Is it not time that just rules of procedure should be applied and the pensioner protected in his rights? The pension should not be considered a gratuity. It should be and is a vested right. The soldiers largely entered the service with the law of 1862 in force, and he had a right to rely that its provisions would be faithfully administered by the Government. provisions would be faithfully administered by the Government toward himself as well as to those dependent upon him. When he faced the dangers in defense of his country, he had a right to assume, if, perchance, he fell in battle, that the Government would care for his loved and helpless ones at home. If a pensioner is receiving a pension to which he is not justly entitled, it is eminently proper that the same should be investigated. No one insists that such a person be retained upon the rolls. The objection, however, is as to the manner in which such investigation is conducted and the presumptions indulged in as to the rights of the pensioner. Let recognized rules of pleading as well as evidence prevail, and Let recognized rules of pleading as well as evidence prevail, and no complaint will be made.

It is not my purpose to inveigh against the present Commissioner of Pensions, or to indulge in harsh criticisms of him. Personally he has treated me with consideration, and I believe him to be a man of the highest integrity. But it is the system of injustice and unfair treatment of the pensioners that has been developed and systematically carried out by the present Administration against which I protest. After a pension has been granted upon a fair hearing, the beneficiary should have the assurance that the matter is at rest, and that it is not open to attack without due notice and upon a fair and open hearing.

Section 4 provides a new and wholesome rule. The anonymous person who seeks to attack the claimant must come out into the light. He no longer can do an injustice under cover and have his name withheld. The examination shall no longer be secretly conducted without an opportunity of a fair and open hearing, and upon due notice and the right to appear by counsel. The right to be confronted by the witnesses by whose testimony the pension is to be impeached is also conferred. The charge must be made spe-cific and duly served upon the party in interest thirty days before the hearing and the names of the witnesses given. It occurs to me such a regulation is eminently fair and just, not only to the individual but to the Government. The nation does not want an inustice done to any of its citizens, and especially to the veterans of the late war. Individual officials may be anxious to make a record for their own promotion, and many too often exhibit too great zeal for their personal advancement rather than to do exact justice

between the Government and the individual.

The Republican party has always sought fair treatment for the soldiers of the war. It has never been its boast that it has been niggardly and parsimonious in meeting the engagements of the Government in their behalf. They have left that claim and what credit it can secure from it to the present Administration. The genius from Georgia who presides over that Department may assert, if he chooses, that it has saved \$25,000,000 by the suspension and reduction of pensions during his imperial reign. The country will judge of its justness and patriotism.

Under our policy, aside from the mere fact of good faith and exact justice, it occurs to me there is a necessity for fair and honorable treatment of the veterans of the war. Considering our population, geographical extent, and physical resources, our standing Army as well as our Navy, in comparison with other Govern-

ments, are limited indeed. If necessity required we must, as we always have, depend upon the volunteer soldier. Our loyal citizenship has never failed us in the past and its patriotism can be relied upon in our greatest needs. Our pension laws should not be so administered that our people would lose faith in the integrity and justness of the Government or its appreciation of the sacrifices of its citizen soldiery.

When the black cloud of secession gathered upon the Southern horizon in 1861, a soldiery most brave and heroic sprang to the nation's defense. Liberty and Union had grown priceless by their possession, and were not to be sacrificed, even though life itself must be offered upon the altar of country. When to sustain our institutions and a nation in its entirety meant grim-visaged war, and that it would require millions of human lives and billions of treasure to be chanced in the struggle, the sacrifice was unhesitatingly made. The true citizenship of the North knew nothing but country and the whole country, and their patriotism was exhaustless as the necessities of the nation. No braver, truer, or more loyal and capable soldiers ever fought for higher principles more loyal and capable soldiers ever fought for higher principles or sacrificed themselves for a government devoted to nobler aims than the armies of the Union. Their valor and heroism were worthy the ancestry of the patriots of the Revolution. For a nation saved, a Union restored, a Constitution broadened and strengthened, a flag true to its inscription, we owe to the common soldier our unspeakable gratitude. We vie with each other in our admiration of the great leaders and chieftains of that memorable struggle, and it is well that we should. They filled their exalted stations with conspicuous ability and added new luster to their country's glory, but the splendid soldiery developed from the volunteer made their success possible and the ultimate triumph of

the Northern army.

The judgment of this generation surely is a justification of the great leaders who took up the cause of the Union and the splendid citizenship that enlisted under them in defense of the Govern-

The integrity of free institutions the world over was at stake. The security of the best government devised by man was assailed. The war, though localized, was a struggle for humanity, for an ideal freedom that was to be a beacon light to the governments of mankind. It was a struggle for the larger and the ideal citizenship and that under the law all men were equal. It was to preserve and make secure liberty's greatest stronghold, so that the blessings of a free government might be enjoyed not only by its own children but be an incentive to higher endeavors to struggling humanity in whatever land freedom had hope. That the North was right in the controversy is demonstrated by the

results as well as by reason.

Patriotism in the North meant love of country in its broadest Patriotism in the North meant love of country in its broadest sense, and was not restricted to the narrow limits of geographical subdivisions. It encompassed the nation instead of a particular State. It developed a larger citizenship, overlapped State boundaries, and dignified our nationality. It gave liberty to all and broke the shackles of human slavery. Our flag thereafter truly symbolized what we had before proclaimed, universal freedom.

Great as was our Government then and wonderful as has been our development and expansion since, it is difficult to fully realize what a calamity to the whole country would have been the defeat of the North and the triumph of the Confederacy. It would have meant two governments, jealous of each other, in constant apprehension of active hostilities, standing armies of great number, with all the added weight of taxation for their support; the great natural waterways of commerce cut off and practical intercommunication denied us; a great family and race divided, our energies stifled, our manifest destiny eclipsed, and the hope of a great people buried.

The war has taught a higher degree of patriotism and devotion to country. The great characters developed by it have been, and always will be, wonderful forces in impressing themselves upon the character of the young and upon our national life. The influence for good and to higher patriotism and patriotic endeavor of a Lincoln and the great military chieftains can never be told. The great army that returned and again mingled in the peaceful avenues of life and told and are telling the story by the quiet firesides of the land have surely developed a greater love of country than ever before.

Self-sacrifice to one's country in itself begets patriotism not only in the individual, but in the community where it is made manifest. The stricken and maimed veterans to-day are living manifest. The stricken and mained veterans to day are twing evidences of that struggle, and each should be, and is, a teacher of high patriotic endeavor. Material power gives greater pride in country, as well as larger influence amongst the nations of the world. A united country, with all its forces energized to their fullest capacity, develops stronger national spirit and will make more forceful our influence as a nation and as a people in impressing ourselves as a force in the world's civilization. With a divided country these great possibilities would have been stifled and great problems of government have been left unsolved. Every power of the Government since the war closed has been strengthened and quickened. In national strength, since 1860, even excluding the cost of the war, it has increased in wealth exceeding 300 per cent, and in population exceeding 100 per cent. The conscience of the people has been more enlightened. At no time in our history has religion been so free or its influence so extended. Philanthropy has sought the most extensive fields for its generosity and munificence. Civic virtue is on a higher plane to-day than ever before. Education is more generally diffused and nowhere has its progress been so appropriate the lifetimed and nowhere has its progress been so appropriate in the left. fused and nowhere has its progress been so apparent in the last decade than in certain localities of the South. Although devas-tated by war, the South has been the highest gainer, as the result of the struggle, in all that goes to make a strong, free, and intelligent people.

There is no class of citizens to which the Government owes so great a debt of gratitude as to the soldiers of the late war. The veterans of that great Army that still remain are entitled to and deserve the consideration and regard of every citizen of the Republic. It was their valor and sacrifice that preserved and made permanent the nation. No true citizen can review those eventful years of our history without having his patriotism revived and

his love of country strengthened.

We must and should do justice to the soldier and to those de-We must and should do justice to the soldier and to those dependent upon him. Generous pension laws are already upon our statute books in their behalf. It is as to the interpretation and construction of these laws that complaint is made. A grateful people, as well as the Congress that enacted them, intended they should be liberally and fairly construed in the interest of the veteran. The purpose of the pending measure is to emphasize and make clear that intention. It is to clear the path for the honest and deserving, so they may be able to secure what the Government originally intended. It is to protect the pensioner under just rules of construction as well as procedure in their rights, after the claim has once been fairly and honestly adjudicated. It is to set at rest the apprehension, justly developed under the recent administration of this Bureau, that practically without warning the pensioner is stricken from the rolls without the right of adequate protection or defense.

I believe the sentiment of the country justifies, as well as de-

I believe the sentiment of the country justifies, as well as demands, the legislation, and especially the provisions embodied in the fourth section of the bill, and I heartily give it my support.

Bankruptcy.

SPEECH

HON. JOHN K. HENDRICK.

OF KENTUCKY.

IN THE HOUSE OF REPRESENTATIVES,

Friday, May 1, 1896,

On the kill (H. R. 8110) to establish a uniform law on the subject of bank-ruptcies throughout the United States.

Mr. HENDRICK said:

Mr. SPEAKER: I regret exceedingly that I am compelled, from a sense of duty, to vote against a bill which has been reported by a committee, the Judiciary, of such high standing in this House; but the duty which I owe to my constituents and the people at large impels me not only to withhold my support, but to oppose it strenuously and do all I can, in an humble way, to prevent its

We may, I think, rely implicitly on the judgment of the people touching any public question when they have had a reasonable and fair opportunity to thoroughly try and test that question. I am a great believer in the wisdom of the people whenever they have time to investigate and consider dispassionately any ques-tion pertaining to the welfare of the country. If we test the bill now being considered by this rule, we certainly can not grow enthusiastic in its support unless we have forgotten our democracy and ceased to believe in or care for the right of the people to rule. When it comes to governmental affairs, there are no higher or

When it comes to governmental affairs, there are no higher or diviner rights than the rights of the people, and the man who accepts position at their hands and then ceases for one moment to be vigilant in their behalf is unworthy to represent them. Remembering these wholesome democratic truths, let us see what the people have said of bankrupt laws after having tried them time and again. It will not be denied that Congress has power, under the Constitution, to establish a uniform system of bankruptcy throughout the United States. This power has been exergised several times. On the 4th day of April, 1800, a bankrupt cised several times. On the 4th day of April, 1800, a bankrupt law was passed by Congress, which was repealed in December, 1803, having remained in force only three years and eight months. Thirty-seven years later, and after the people had forgotten the

deleterious effects of the first act, another was passed August 19, 1841, but in 1843, within two years after its passage, its pernicious tendencies having been demonstrated, it was promptly repealed. The people having again, as we may justly suppose, forgotten their sad experience with the former laws, the third and last act was passed in 1867, and remained in force longer than either of its predecessors; but in 1878, eleven years after its passage and after the people had had ample time to ascertain its virtues, if it had any, it was also repealed. Are we to ignore all of this experience? If so, by what light shall our legislative steps be guided? Experi-

If so, by what light shall our legislative steps be guided? Experience is a great school.

What would be thought of a farmer in the North who had attempted time and again to raise tropical fruits and plants, failing each time because of uncongeniality of soil and clime, if he should, despite his experience, continue annually to plant his hopeless crop? He would be regarded as a crank; and yet we are ignoring experience equally as patent, and claiming that we are engaged in wise legislation.

engaged in wise legislation.

If the Republican party should propose the passage of another force bill civilized Christendom would laugh the attempt to scorn. The leaders of such a move would be looked upon as madmen. Why? Because the people, after much experience with such nefarious legislation, have condemned it in most positive and unqualified terms. Their condemnation of force bills, however, he not because we propose a propose the propose of the propose of the passage of another terms. ever, has not been more pronounced than their triple condemnation, if I may so designate it, of the bankrupt laws. If the people

can not rely on their oft-expressed wishes to protect them from oppressive laws, what can secure or protect them from the whims and caprices of their Representatives?

There has been a great deal said during the progress of this debate about "the debtor class" and "the creditor class." That is all right. I have no desire, if I know myself, to wrong any class." of my fellow-citizens. I am anxious to do my whole duty toward every class and every condition which may be affected by my acts; but if I am placed in a condition where I am compelled to select between two classes, I am dead certain to cast my influence on the side that needs my help. If it is true that we have two distinct classes in our land, known as the debtor and creditor classes, and

side that needs my help. If it is true that we have two distinct classes in our land, known as the debtor and creditor classes, and I am compelled to choose between them, I do not hesitate to say that I am on the side of the debtor, because the very term shows that he is more likely to need my aid than the other. Strike out the involuntary features of this bill and I will support it as a measure to relieve debtors, provided corporations are excluded; but I can not vote for a law that permits a harsh, relentless, and sometimes cruel creditor to force his unfortunate debtor, against his will—involuntarily is the word—into bankruptcy. The Shylocks are not all dead; neither are the Antonios.

I desire to ask gentlemen who contemplate voting for this measure to consider the different causes under this bill which permit the creditor to pursue this relentless and pitiless course toward those who owe him. These acts of bankruptcy by a person shall consist of his having (1) concealed himself, departed or remained away from his place of business, residence, or domicile with intent to avoid the service of civil process and to defeat his creditors, and shall not have returned at least forty-eight hours before the filing of a petition in bankruptcy, and before the rights of creditors shall have been impaired, altered, or interfered with; (2) failed for thirty days and until a petition is filed while insolvent to secure the release of any property levied upon under process of law for \$500 or over, or if such property is to be sold within such time under such process then until three days before the rights of creditors have been altered, impaired, or changed by reason of such property before the rights of creditors have been altered, impaired, or changed by reason of such transfer and at least ten days before the commencement of a proceeding in bankruptcy; (4) made an assignment for the benefit of his creditors or filed in court a written statement admitting his inability to pay his debts; (5) made, while insolvent, a transfe benefit of his creditors or filed in court a written statement admitting his inability to pay his debts; (5) made, while insolvent, a transfer of any of his property or suffered any of it to be taken or levied upon by process of law or otherwise for the purpose of giving a preference, and has not regained the ownership of such property or released same from such levy before the right of creditors shall have been altered, changed, or impaired by reason of such transfer, taking, or levy and at least ten days before the commencement of a proceeding in bankruptcy; (6) procured or suffered a judgment to be entered against himself with intent to defeat his creditors, and suffered same to remain unneighbor. cured or suffered a judgment to be entered against himself with intent to defeat his creditors, and suffered same to remain unpaid until ten days before the filing of a petition in bankruptcy, provided that a payment or satisfaction of such a judgment by a sale of any of the debtor's property or from the proceeds of such a sale shall not be deemed a payment of such judgment under the provisions of this section; (7) secreted any of his property to avoid its being levied upon under legal process against himself and to deteat his creditors, and has not surrendered such property to such legal process at least ten days before the filing of a petition in bankruptcy; (8) suffered while insolvent an execution for \$500

or over, or a number of executions aggregating such amount, against himself to be returned no property found, unless the amount shown to be due by such executions shall be paid before a petition is filed; or (9) suspended and not resumed for thirty days and until a petition is filed, while insolvent, the payment of commercial paper for or aggregating \$500 or over

We have but recently passed through one of the most universal panies that ever blighted a country and paralyzed its business industries, and many of our people are now suffering from the accumulation of debts which they can not pay. If anybody is to be relieved by legislation, the debt-ridden classes certainly appeal to us most strongly and demand our first consideration, but, instead of pursuing a course which will relieve the unfortunate, we are absolutely devising new methods of oppression in favor of we are absolutely devising new methods of oppression in favor of the creditor by attempting to put upon the statute books laws which will enable him to take his victim by force into the Federal courts and have him declared a bankrupt. I think the experi-ence of my own State (Kentucky) is worth something on this ence of my own State (Kentucky) is worth something on this point. In 1821, when the people were passing through a panic, the legislature of that State passed what is commonly known there as a stay law. Under this law no judgment could be rendered or execution issued against a debtor for the space of three years. This legislation proved to be an inestimable blessing to the poor, oppressed, and unfortunate debtors who were unable to meet the demands against them.

In 1837, when the people were suffering from another great panic, a similar law was passed, and likewise another in 1857. It will be noticed that these laws were only temporary; enacted for the purpose of bringing immediate relief to unfortunate people who could not meet their obligations. There is something admirable in these humane statutes, intended solely to give relief to

overburdened, struggling humanity.
Contrast the pending bill with these relief statutes. The contrast is so great that it shocks our finer feelings. The Kentucky statutes indicate moderation, sympathy, humanity—this act indicates intemperance, avarice, relentlessness. Certainly this country has never suffered under a greater panic or one of longer duration than the one from which we are just emerging. If there ever than the one from which we are just emerging. If there ever was a time which would justify the passage of laws protecting the debtor, this is certainly preeminently the time, but instead we are placing bludgeons in the hands of those whom fortune has favored with which they may brain, so to speak, their less fortunate countrymen. Why should we pass laws to assist the rich? They do not need our help. They can help themselves. The man who is struggling for meat and bread for himself and family is the one who demands our careful, earnest, I might say prayerful, consideration. He is sinking and is calling to us. Let us in the name of humanity heed his cry.

You ask me if I would wrong the creditor. Of course I would not; but I had rather not be called on to help him when he does not need my help, if that call forces me to turn a deaf ear to the debtor by his side, who does need my aid.

The law as it now stands works no injustice to creditors. - It permits them to contract as freemen, with their eyes wide open.

If they have made bad contracts ought we to come as lawmakers to their assistance and enact laws which will enable them to harass debtors for the payment of debts made when there was no such law in existence? For one, I will not do it; and more than that, it is not right from a moral standpoint, I care not who indorses it.

I would oppose the bill, if for no other reason, because it enlarges the jurisdiction of the Federal courts to an almost incalculable extent. It converts them into debt-collecting tribunals in addition to the vast jurisdiction heretofore conferred on them by addition to the vast jurisdiction heretofore conferred on them by the Republican party. No man can believe in the principles of Democracy and give this bill his approval. One of the fundamental principles of Democracy is that the people are entitled to be tried before their local judicial tribunals. This bill virtually deprives them of that right. How can a Democrat vote for a measure which deprives a large class of the people—the unfortunate allocated to the people of the people. nate class at that-who are burdened with debt, from the right to be tried by the courts of their own State, where the people select their own officials, and where the juries are composed of their neighbors and acquaintances? If you desire to rob the State courts of their jurisdiction, why do you not proceed in a bold, manly way and not by covert and insidious measures like this? So far as I am concerned, I had rather take from than to confer additional jurisdiction on the Federal courts. I believe strictly in the doctrine of the Democratic party, which recognizes the sovereignty of the States and keeps the power in the people by permitting them to select their own officials.

The bill under consideration promits the gradient to force his

The bill under consideration permits the creditor to force his unfortunate debtor into bankruptcy, and the more effectually to accomplish that purpose permits him to go into a Federal court, removed by the very mode of its creation from all interest in or sympathy for the people. We are told, however, that the bill not only forces individuals into involuntary bankruptcy but that corporations can likewise be forced into insolvency. How does that

improve matters? If a robber takes my property, of what benefit is it to me to know that he has also taken the property of other people? Instead of that provision of the bill being a recommendation it is a further reason for my opposition to it. It is also insisted that another great virtue in the bill will be found in the clauses which make bankruptcy both voluntary and involuntary; that is, one may voluntarily become a bankrupt or be forced into it involuntarily, according to the fleetness of the contestants for the dubious honor. Of course, if the creditor is alert and gets the first start on his debtor in the Federal court and succeeds in obtaining a judgment declaring his victim a bankrupt, it is involuntary bankruptcy; on the other hand, if the debtor makes the first move, surrenders his property, and obtains a decree exempt-

ing him from his debts, it is voluntary bankruptcy.

Now, then, let us go back, as it were, resurrect some of our past experiences with corporations, and see whether or not this law will be a beneft or an injury to the people so far as it applies to corporations. I say without the least fear of contradiction that its passage will be a perfect boon to rascally corporations which wish to avoid or repudiate their debts. For example, let us review very briefly the history of the Union Pacific system of railroads. The Government, through the Republican party, donated to these roads the enormous amount of \$9,000,000 acres of land and gave pecuniary aid by issuing bonds to the extent of \$61,000,000, with the understanding and agreement that the interest on the bonds should be paid to the Government annually and at the end of

thirty years the principal.
What has been the result? The interest has not been paid, the what has been the result. The interest and the principal is now due and unpaid, and none of it, in my opinion, will ever be collected, while the people of the West and Northwest have been robbed in the way of freights and transportation. to a degree that is wonderful, and at the same time the individual directors and incorporators have become enormously, if not alarmingly and dangerously, rich, because it is a menace to society and to the welfare of the people and republican institutions to have men rolling in untold millions which they acquired by dishonesty. Let it be borne in mind, too, that some of these incorporators have been proven beyond a reasonable doubt to be perjurers and criminals.

Here are the principal incorporators, with a recent estimate of their wealth, all of them being comparatively poor when the Re-publican party concluded to put the Government in partnership rith them in the railroad busines

C. P. Huntington	\$70,000,000
Mark Hopkins	30,000,000
Leland Stanford's estate	25, 000, 000
Charles Crocker	30,000,000

Total.....

Does any sane man believe that these men could have made that sum of money honestly, while the Government in the same enter-prise could not collect even its interest?

Let it be borne in mind that the great Credit Mobilier scandal. windle, and bribery grew out of some of these same corporations. I am asked what connection these matters can have with the bill under consideration. It has just this much to do with it: I am not willing to give a corporation which is managed by such unspeakable wretches and scoundrels as these the privilege of taking the benefit of the bankrupt law. What if it is involuntary? How long would it take perjurers and thieves to concoct a scheme to put a corporation through the process of bankruptcy and swindle stockholders and creditors out of every dollar of their interest!

No, Mr. Speaker, none of it for me. Let others so vote if they will; but in my opinion the political party or the individual who does it will be repudiated by the people, and the repudiation will be right and proper.

We have been tauntingly told by the other side of the House that we are so divided that we amount to nothing but roving bands of political guerrillas, decimating our own ranks by our relentless factional fights.

I regret to say, Mr. Speaker, that we are divided, and that in our present condition we are not able to even check the Repub-lican party in the enactment of vicious legislation. But let me say to our friends that notwithstanding the little family quarrel that is now on, all breaches will yet be healed, and the matchless party of the people, with "Equal rights to all and exclusive privileges to none" as its motto, will plant the banner of the people upon the breastworks of class legislation, trusts, and nurtured monopolies.

Bear with me for a moment while I review some of the past breaches and divisions in the Democratic party, for I think that

our friends, the enemy, will fail to find a great deal of consolation

in that review, if we may judge of the future by the past.

In 1835 the first breach or factional fight, so far as I now recall, occurred in the ranks of the Democratic party. One of these factions was called the Locofoco and the other faction was known as the Equal Rights Democrats. The bitterness between them was intense and widespread, and threatened to disrupt the party, but

the breach was finally healed, and the party was wiser and more

the breach was finally healed, and the party was wiser and more vigilant of the interests of the people than over.

In 1848 a second breach occurred, one faction being derisively called the Barnburners, the other the Hunkers. The fight between these two factions was extremely vindictive, and resulted in the defeat of the party and the election of General Taylor, a Whig, to the Presidency. This chastisement proved beneficial to the party the Presidency. This for a number of years.

for a number of years.

In 1860 the third great division in the party occurred, and we all know the sad result of that disagreement.

Now, let me remind the authors of this bill that notwithstanding the lamentable internal strifes, that we are here to-day alive and kicking, a little disfigured, but still in the ring, battling for the rights of the people, for constitutional government, for equality before the law against the party of high taxes, monopolies, trusts, force bills, bankrupt laws, and extravagant expenditures of the public money.

public money.

public money.

Let me say in conclusion to the gentlemen who are now chuckling over our dissensions, that they may take warning from the past history of our party, because a recitation of the past may prove to be but a prophesy for the future, and while they are pondering over the result of our past divisions, it would be well enough to remember that the Federalist party, which originated the first bankrupt law, has long since departed this life, and the Whig party, who were responsible for the second, have long since gone to that bourne from whence no political party returns, and the Republican party may profit by their example; remembering always that the principles of Democracy are immortal, and if you defeat us this year the party will not die, but will come smiling to the scratch on the next battlefield, rejuvenated and invigorated by the very chastisement it may receive. the very chastisement it may receive.

The Financial Policy.

SPEECH

HON. WILLIAM V. ALLEN,

OF NEBRASKA.

IN THE SENATE OF THE UNITED STATES.

Thursday, April 30, 1896.

The Senate having under consideration the bill (H. R. 7542) making appro-riations for the naval service for the fiscal year ending June 30, 1897, and

Mr. ALLEN said:

Mr. PRESIDENT: Yesterday the Senator from Maine [Mr. HALE] Mr. President: Yesterday the Senator from Maine [Mr. HALE], who has this bill in charge, admonished the Senate that the discussion had drifted from the pending amendment and had gone into the field of party politics. It is my purpose to discuss the amendment as thoroughly as I can in view of the fact that I am not a member of the Committee on Appropriations or a committee having charge of an appropriation bill, and I shall embrace the opportunity to discuss it in all its features and consider all the fact that may recordly enter into the discussion.

opportunity to discuss it in all its features and consider all the facts that may properly enter into the discussion.

I have been greatly interested in the discussion that has extended over the last two days, especially that part which was precipitated by the senior Senator from Ohio [Mr. Sherman], and participated in by the senior Senator from Colorado [Mr. Teller], and the senior Senator from Maryland [Mr. Gorman], because it disclosed to the country a thing that has been obscured as far as political action can be obscured, that the issue the people are to be confronted with in the approaching campaign is the old issue of tariff rather than that of financial reform if the two ple are to be confronted with in the approaching campaign is the old issue of tariff rather than that of financial reform, if the two old parties can frame the issue on that line. The Senator from Maryland has stated in substance, not perhaps in words, that it is the purpose, as he believes, of the Republican party, as represented here, to make large present appropriations and authorize large contracts to meet which appropriations will be required at the second session of this Congress or by another Congress, as an excuse for the enactment of a tariff law based on the principles of the McKinley Act. If the statements of the proposed appropriations which are being presented to us are correct, that would naturally and necessarily result.

tions which are being presented to us are correct, that would naturally and necessarily result.

One feature of the bill is the proposition to make an appropriation of something like \$28,000,000 for the construction of four battle ships in addition to the ordinary naval appropriations amounting to \$29,000,000 annually. The Senator from Maryland [Mr. GORMAN] has moved to amend the bill as reported by the Committee on Appropriations by striking out two battle ships, so that we will be required to construct only two, while the junior Senator from Pennsylvania [Mr. QUAY] has moved to amend by requiring the construction of six instead of two. If the amendment offered by the Senator from Pennsylvania shall carry, we will be put in the attitude, so far as this item for battle ships is concerned and so far as this branch of the naval appropriations is concerned, of appropriating \$29,000,000 for ordinary naval pur-

poses and making \$2,000,000 more immediately available for beginning the construction of battle ships, which, when completed, will cost the Government all told \$40,000,000. So we will have \$69,000,000 appropriated and contracted for under this bill. So we will have

The question which presents itself to me most forcibly in considering this question is whether there is any urgent necessity for this appropriation. Certainly the financial condition of the counwill not warrant it, and it should not be made unless there is

try will not warrant it, and it should not be made unless there is an immediate demand to prepare ourselves for contemplated or actual war or for the protection of our coasts and commerce.

Mr. President, when I first came into this Chamber I looked on all discussion that took place here as serious, but I have gotten over that to a very great extent. I have long since learned that many, very many, discussions are precipitated solely for the entertainment of the people who are supposed to read the proceedings of Congress, in the prees or the Record; that the debates amount to no more than a play between the two dominant parties, or the two great political parties, as they are pleased to call themselves; that they consist largely in sparring for political points, in maneuvering for party advantage, and there are no benefits resulting from them. That seems to be the purpose of the discussion that has sprung up here over this amendment.

beneaus resulting from them. That seems to be the purpose of the discussion that has sprung up here over this amendment. When Congress convened in December last, the Democratic and Republican parties were in need of campaign material. The Republican party had been defeated in 1892 by an overwhelming majority. It was and is resting under a cloud cast over it by that defeat. It was struggling to reinstate itself to public favor and, of course, was bent on making all the campaign material possible in Coagress to enable it to advance its interests in the coming national campaign. The Democratic party, which, in 1893, for the first time in thirty years, had come into power in the legislative and executive branches of the Government con-currently, and which had brighter prospects than any political party has had in many years, had shown itself—I will not say inetent, but inadequate to meet the expectations of the people

and fulfill its promises.

When this Congress convened, therefore, it was necessary for these two parties to have something more than the tariff to dispersion of the control of the contr cuss. It was necessary for them to have something more than the issue of financial reform, for that issue belongs to the Popu-list party, and if the attention of the people should be seriously directed to it there would be a sloughing of Democrats and Re-publicans, who would naturally land in the Populist party. Therefore, during the first few days of the present Congress, various resolutions were introduced in the Senate and discussed. by Democrats and Republicans as respects the policy that should be pursued by the Government as to the Monroe doctrine, and be pursued by the Government as to the Monroe doctrine, and especially the policy that should be pursued in respect to the Island of Cuba. Ringing speeches, jingo speeches, if you see proper to call them such, and I myself see no objection to proper jingoism, were made on these subjects. The country was given to understand that we were liable to be precipitated into serious difficulty with Great Britain as to the true boundary line between Venezuel and British Guiana. enezuela and British Guiana.

difficulty with Great Britain as to the true boundary line between Venezuela and British Guiana.

The President, as the head of his party, was not to be outdone in this game of party politics. The attitude of the President and the Republican Senators remind me very forcibly of the story Artemus Ward used to tell of one of his creditors. He said he had loaned a friend \$100 when he was in distress, and that, after a time, being sorely pressed for money, he ventured in a gentle way to remind him that he would like payment. The friend told him a pitiful story of poverty, and said he did not have the money, and could not pay him. "So," said Artemus, "I thought I would relieve him of his distress, and in a spirit of generosity I told him I would throw off one-half if he would pay me the other half." Moved to tears of joy, his friend brightened, and, taking him by the hand, said: "Old horse, I will not be outdone in generosity by you. I will throw off the other half." [Laughter.]

Mr. President, when the Republicans began the introduction of resolutions on the subject of a strong foreign policy, for the purpose of diverting public attention from the financial and industrial conditions of the country, the President, as the head of a great political party, was not to be outdone by them "in generosity," and therefore he gave us his Venezuelan message of the 17th of December. I do not believe there is a citizen of the United States who believes, or who has ever believed there was the slightest likelihood of a conflict between Great Britain and this country over the boundary between Venezuela and British Guiana, or, for that matter, over any other question. It was simply one of those

over the boundary between Venezuela and British Guiana, or, for that matter, over any other question. It was simply one of those party plays for party advantage that are frequently indulged in here.

Mr. President, my position, as I assert it here, is capable of

proof beyond a reasonable doubt, and that is the quantum of proof required to convict a man of crime in this country. On the 17th of December last the President sent to Congress his Venezuelan message, which called attention to the established doctrine of preservation of American soil for American Governments, known as the Monroe doctrine. On the 20th of that month, three days later, there was a financial panic in London, precipitated, so it was said in British papers and in our own, by the Venezuelan message. American securities were thrown on the market at a discount by hundreds of millions. On the 21st of December, four days after the Venezuelan message, we experienced a panic in New York, a sympathetic panic, as a result of the one in London. Here were relations so intimate between the lords of finance in London and the lords of finance in Wall street, who are in partner-ship in all financial transactions in this and other countries, that ship in all financial transactions in this and other countries, that the simple statement of the President that we would maintain the Monroe doctrine by force of arms, if necessary, precipitated a panic in both countries. I have stated repeatedly in this Chamber, and especially three years ago, that there was a money power in Lombard street, London, and Wall street, New York, that controlled the affairs of this and other nations, and here is evidence conclusive of the fact.

I used to be sneered at for making this assertion, and yet it has been quite a common thing during this Congress for Republican and Democratic Senators to refer to a great money power that controls the affairs of the British Empire and the United States. What more conclusive evidence could be demanded that British gold controls the legislation and the administration of this nation than that which is to be found in those panies occurring in London and New York almost simultaneously and sustaining a sympathetic relation with each other?

Mr. President, I have preserved the evidence of the panics, and, at the risk of being somewhat tedious, I think it proper for me to call public attention to it. I will read from the New York World of December 21, 1895:

A dismal Friday in Wall street—Real fright among security holders at the unreal spector of war over little Venezuela—Stocks and bonds fell \$350,000,000. The scare was caused by European selling of American securities and balarm over our loss of gold—Five firms fail—Executive message came after narket closed—

This refers to the message of the President which we received but a few days after the first message, and which was intended to allay suspicion of war—

In five hours of business all active stocks had fallen from 2 to 30 points—A nemorable day.

And the article proceeds to give a detailed account of the scene in Wall street and on 'Change at the time of the panic.

I desire to embrace in my remarks a clipping from the New York World, giving details of the loss that was sustained in New York on the 21st of December as a consequence of the panic, amounting to about \$357,000,000 in round numbers:

WALL STREET'S SHOCK COST \$57,795,245—DETAILED STATEMENT OF THE DE-CLARE IN MARKET VALUES OF AMERICAN SECURITIES IN FOUR DAYS SINCE PRESIDENT CLEVELAND'S MESSAGE WAS ISSUED.

Name of stock.	Shares out- standing.	Mon- day's price.	Friday's price.	Nominal loss in market value.
American Cotton Oll, common	\$90,237,000	18	15	9007,110
American Cotton Oil, preferred	10, 198, 600	07	00	713, 70:
American Sugar Refining, common	37,500,000	104	90	4,500,000
American Sugar Befining, preferred.	37, 500, 000	96		2,250,000
American Tobacco Company American Tobacco Company, pre-	17, 990, 600	76	68	1,432,000
ferred. Atchison, Topeka and Santa Fe, as-	11, 935, 000	101	95	716, 100
Atchison, Topeka and Santa Fe, pre-	101,844,987	16	11	5,002,24
ferred (with interest)	101,844,987	25	20	5,002,24
Baltimore and Ohio	25,000,000	49	43	1,750,000
Bay State Gas	1,500,000	25	20	75,000
Burlington and Quincy	82,004,200	84	74	8, 200, 42
Canada Southern	15, 000, 000	55	48	1,050,00
Chesapeake and Ohio	60, 469, 100	17	14	1,814,07
pany certificates	25,000,000	71	61	2,500,00
and St. Louis	28,000,000	41	33	2,520,00
Colorado Fuel	9, 250, 000	30	20	905,00
ledo	11, 696, 300	17	15	228, 92
Consolidated Gas	85, 430, 000	160	130	7,440,30
Delaware and Hudson	85, 000, 000	129	118	8,850,60
Delaware, Lackawanna and Western	26, 290, 900	167	158	2,858,00
Denver and Rio Grande	88,000,000	13	10	3, 800, 00
Denver and Rio Grande, preferred Distillers and Cattle Feeding Com-	23, 650, 660	49	39	2, 365, 00
pany	34, 171, 500	19	14	1,708,57
pany	30, 460, 600	31	20	8, 350, 60
Kansas and Texas	47,000,000	13	9	1,880,00
Kansas and Texas, preferred	13,000,000	82	18	1,820,00
Laclede Gas	7, 590, 000	23		075, 00
Lake Shore	40, 406, 500	150	143	4,946,68
Louisville and Nashville	52,800,000	53	39	7,392,00
Louisville, New Albany and Chicago. Louisville, New Albany and Chicago,	0,000,000	26	7	1,710,00
preferred	6, 250, 000	26		562,50
Manhattan Consolidated	30,000,000	107		3,600,00
Metropolitan Traction Company	27, 366, 650	100		3,831,35
Missouri Pacific. Pennsylvania Railroad (Philadel-	47, 436, 575		20	4,743,6
phia)	129, 271, 000			7,756,20
Mobile and Ohio	5,820,600			319, 2
National Lead Company, common	14, 905, 400		20	1,639,56
National Lead Company, preferred .	14,904,000	80	73	2, 384, 60

WALL STREET'S SHOCK COST \$352.795.246, ETC .- continued.

Name of stock.	Shares out- standing.	Mon- day's price.	Fri- day's price.	Nominal loss in market value.
National Linseed Oil	\$18,000,000	21	15	\$1,080,000
New Jersey Central	22, 497, 000	110	97	074,910
New York Central	100,000,000	100	91	9,000,000
ern, common	11,748,200	10	8	234, 924
ern, preferred	12,816,500	81	19	1,537,980
Northern Pacific, preferred	85, 250, 147	15	11	1,410,004
Chicago and Northwestern	39, 052, 400	104	94	3,905,240
Omaha	46, 156, 000	42	31	5,077,100
Ontario and Western	37, 950, 000	15	12	1, 138, 500
Pacific Mail	20,000,000	83	00	2,000,000
St. Louis	25, 098, 819	16	14	501,976
Reading		9	6	1, 236, 729
Rock Island	46, 156, 000	75	63	5, 538, 720
St. Paul, common	46, 027, 281	75	00	2,761,632
St. Paul, preferred	28, 156, 900	129	127	523, 138
Southern Pacific	108, 232, 270	23	19	4, 329, 288
Southern Railroad, common	119,900,000	10	7	3,597,000
Southern Railroad, preferred	54,300,000	38	23	5, 430, 000
Tennessee Coal and Iron	20, 030, 000	34	25	1,800,000
Union Pacific. U. S. Cordage certificates, preferred	00, 868, 500	7	5	1,217,370
(assessments paid). U. S. Cordage certificates, guaran-	17, 992, 300	13	8	809,615
teed (assessments paid)	6,000,000	28	19	420,000
U. S. Leather, common		12	0	1.800,000
U. S. Leather, preferred	00, 000, 000	00	00	5, 400, 000
Wabash, preferred	24, 000, 000	18	13	1,200,000
Western Union Telegraph	95, 370, 000	89	82	6, 675, 900
Wheeling and Lake Erio		14	6	800,000

Total apparent decline in four days in stocks and bonds alone. 857, 795, 248

Mr. President, this establishes, if proof were lacking, that there Mr. President, this establishes, if proof were lacking, that there is a strong bond of sympathy between the money power of London and New York, a thing which has been denied in the press and in Congress and in other quarters until very recently. Here is proof as strong as Holy Writ not only of the existence of this power but of an alliance between its European and American branches. In my judgment, the evidence is sufficient to prove to the mind of any fair-minded man the existence of a money power

the mind of any fair-minded man the existence of a money power that controls the conduct of this nation.

But, Mr. President, this is not all the evidence. Look for a moment, if you will, at the insincerity of the claim that this nation was liable at the time to be precipitated into war with Great Britain or with Spain. Within twenty days from the time the President told the world that we were ready to muster our Army and Navy to fight Great Britain for the Monroe doctrine as applied to the dispute over the boundary between Venezuela and British Guiana the Secretary of the Treasury issued a call to borrow \$100,000,000 of British gold. We were, in fact, placed in the humiliating attitude of borrowing \$100,000,000 of British gold to fight our prospective battles with that country. Mr. Carlisle, without a shadow of authority, as has been repeatedly shown in this Chamber, and as has been announced by Republicans and Democrats as a shadow of authority, as has been repeatedly shown in this Chamber, and as has been announced by Republicans and Democrats as well as Populists, issued a call for a one-hundred-million-dollar loan in gold, basing it upon the provisions of the resumption act of 1875, which was repealed by fulfillment, and expressly and directly repealed by the act of 1878.

Mr. President, Mr. Carlisle was negotiating with the agents of the Rothschilds, who dominate the financial affairs of Great British for this least of the Rothschilds.

ain, for this loan at the precise moment the President was writing his Venezuelan message. At one and the same time the agents of this country were negotiating with this English money power for a loan of \$100,000,000 of gold, and the President was launching his Venezuelan message upon the country. Can any man doubt, under such circumstances, that an intimate relation exists between the money power of Great Britain and the money power of this country? Can any man who is sane and at the same time honest doubt that this combined power controls the actions of the Chief Executive, as it does the decisions of the Supreme Court and the legislative branch of the Government?

lative branch of the Government?

Sir, in a little over one month and a half from the time we received the Venezuelan message of the President, the Secretary of the Treasury sold bonds to the amount of \$100,000,000, and more than one-half of that amount went to the representatives of the English money power. We recall with vivid recollection the charges that were made of speculation in the bonds. The same contract in substance was entered into with J. Pierpont Morgan, as a representative of the English money power, for the sale of these bonds that had been entered into before, and it would have been carried out had not two great newspapers called attention to the fact to an extent and in such a manner that the President and the fact to an extent and in such a manner that the President and

the Secretary of the Treasury were compelled by force of public opinion to make it a quasi public loan—a public loan that put the bonds on sale at a few places in the United States; and when, under the charges made by these great newspapers and under the searching light of criticism of the action of the Treasury Department, the bonds brought more than they were to be contracted to the English syndicate, the President and the Secretary felicitated the product of the contract of the contract of the secretary felicitated. the English syndicate, the President and the Secretary felicitated themselves—not the country—on the success of the "popular loan. We have been told, and the country will be told this fall, that it was a popular loan. It was in no sense a popular loan. It simply compelled the representatives of the British money power to go, not to one point in New York or in Washington, but to a few points in the country to accomplish the same result. They got the bonds, or the greater portion of them.

Here, Mr. President, was the singular spectacle of Great Britain purchasing the bonds of the United States and paying out gold for them within a very few days of the time the President was menacing a declaration of war against her for the invasion of American rights.

American rights.

Sir, does any man suppose, is there a sane human being upon the face of the earth who supposes, with these facts before him, that there was the slightest likelihood of war with Great Britain, or that there is now the slightest likelihood of war? Mr. President, our financial and commercial relations are so closely allied with those of that nation that there is scarcely any conceivable cir-cumstance under which the one could be provoked to declare war cumstance under which the one could be provoked to declare war against the other; and yet, for the purpose of putting a burden on the people, and for the purpose of further mortgaging the future and increasing the burden of taxation that rests so heavily on the backs of our laboring and producing classes, we are to have six great battle ships to defend ourselves against Great Britain!

Mr. President, I am not insensible of the defenseless condition of our coasts. I am not insensible of the necessity of having a respectable navy and adequate coast defenses; but when we are about to engage in a lavish expenditure of public revenue we should have the money within our call, or be able to secure it by a reasonable effort, and not by onerous and unjust taxation.

By the recent unwarranted action of public officials we have been placed in a position where we are necessarily compelled under our form of government to increase our taxation. I am not, so

been placed in a position where we are necessarily compelled under our form of government to increase our taxation. I am not, so far as I am concerned, and so far as the party is concerned which I have the honor to represent in part in this Chamber, opposed to necessary and proper taxation. I am not opposed to a standing army sufficient for the preservation of a great nation like this. I am not opposed to proper coast defenses and an adequate navy; but I am opposed to those things that are unnecessary, and especially until the Government comes back to the principles recognized by the fathers and embodied in the Constitution, and the people are afforded, by an increased volume of money, an opportunity to pay taxes adequate to the just demands of the Government. We have repeatedly heard our Republican and Democratic friends affirming on the one side and denying on the other, the one alleging that the other is responsible, and the other denying its responsibility, for the present condition of the country; the one affirming that the prosperity of the country will be found only in increasing the burden of taxation, and the other asserting that it will be found in lightening the burden of taxation and opening

it will be found in lightening the burden of taxation and opening up the great avenues of commerce, whatever that may mean. It is quite a common thing in the Senate for our Democratic friends to charge the Republican party with the responsibility for the present condition of the Treasury, and it is an equally common thing for our Republican friends to say to the Democrats, "You are responsible for it."

The sculor Senator from Ohio [Mr. Sherman] said yesterday, and he has made the assertion very frequently, that if the Wilson bill had carried a higher rate of taxation, a rate sufficient to

son bill had carried a higher rate of taxation, a rate sufficient to supply the Treasury with the necessary revenue to meet the current expenses of the Government, the Democratic party would not have been compelled to issue bonds in time of peace.

Mr. President, the issuance of Government bonds in times of peace is a policy that has been encouraged by both parties, and I have not the slightest doubt that, with some noble exceptions on both sides, there is a perfect understanding between the leaders of the Republican and Democratic parties (not confined to this Chamber, but existing throughout the country) that a policy shall be pursued that will result in a perpetual interest-bearing national debt.

debt.

What was the condition of the Treasury as respects the issuance of bonds when the Harrison Administration went out of office on the 4th of March, 1893? It is a very common thing to read in the press and hear statements here and elsewhere that the Treasury was solvent, and that, under the beneficent influences of the McKuley Act, there would have been no necessity for the issuance of Government bonds. The initial step in the issuance of Government bonds was taken by the Republican party just prior to Harrison's retirement from the Presidency. I took occasion

recently to address a letter to the Secretary of the Treasury to

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

Washington, D. C., December 13, 1895.

SIR: Your favor of the 11th instant, in which you state that the assertion has been frequently made in the public press and elsewhere that just prior to the time when President Harrison retired from office my predecessor, the Hon. Charles Foster, was negotiating with a financial syndicate for the sale of Government bonds, and that the bonds had actually been engraved, and asking me for information upon the subject, is received, and in response I have the honor to say that I have no official information concerning any negotiations that may have been pending between Secretary Foster and others, but the records of this Department show that on the 20th of February, 1863, he issued an order to the Chief of the Bureau of Engraving and Printing, directing that officer to prepare designs for 3 per cent bonds which had been provided for in a Senate amendment to the sundry civil bill then pending in Congress.

An amendment, by the way, that had been offered by the senior Senator from Ohio [Mr. SHERMAN].

A copy of the order is herewith inclosed, together with a copy of the recital which was to be inserted in the bonds.

Very respectfully, yours,

J. G. CARLISLE, Secretary.

Hon. WILLIAM V. ALLEN, Senate Chamber,

And here is the direction of Secretary Foster to the Chief of the Bureau of Engraving and Printing:

TREASURY DEPARTMENT. OFFICE OF THE SECRETARY,
Washington, D. C., February 20, 1893.

Sir: You are hereby authorized and directed to prepare designs for the
3 per cent bonds provided in a Senate amendment to the sundry civil bill now
pending. The denominations which should first receive attention are \$100
and \$1,000s of the coupon bonds and \$100s, \$1,000s, and \$10,000s of the registered

bonds.

This authority is given in advance of the enactment, in view of pressing contingencies, and you are directed to hasten the preparation of the designs and plates in every possible manner.

I inclose a memorandum for your guidance in preparing the script for the body.

Respectfully, yours,

CHARLES FOSTER, Secretary.

To the CHIEF OF THE BUREAU OF ENGRAVING AND PRINTING.

WASHINGTON, April 1, 1893-

Just a little over a month before Harrison's retirement from

Mr. ALLISON. Give the date again, please.
Mr. ALLEN. It is evidently a misquotation. It is "April, 1893." This is the direction of Secretary Foster respecting the recital in the bonds:

This bond is issued in accordance with the provisions of section — of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1394, and for other purposes," approved March 3, 1893, and is redeemable at the pleasure of the United States after the 1st day of April, A. D. 1898, in coin of the standard value of the United States on said March 3, 1893, with interest in such coin from the day of the date thereof, at the rate of 3 per cent per annum, payable semiannually on the 1st day of October and April in each year. The principal and interest are exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

I think this conclusive evidence that the statement we hear so frequently that the Republican party was not in a condition, during the late Administration, to compel it to issue bonds, while true in form, is in fact and substance false. I call the attention of the Senate again to the significant language of Mr. Foster, in his letter to the Chief of the Bureau of Engraving and Printing:

This authority is given in advance of the enactment, in view of pressing entingencies, and you are directed to hasten the preparation of the designs and plates in every possible manner.

why the necessity of directing the Chief of the Bureau of Engraving and Printing to engrave the bonds in advance of the passage of a law authorizing their issuance? What urgent contingency was pressing upon the Treasury Department? There had been deficits in the revenues under the McKinley Act, the limit of the gold reserve had almost been reached, and unless the bonds should be authorized or the Secretary of the Treasury should pursue the course of his successor in issuing bonds under an act that had been repealed, the Treasury would be practically bank-rupt. In fact, it would have been under President Harrison if his Administration had not ended just at the time it did.

And you are directed to hasten the preparation of the designs and plates

Says Mr. Foster. Mr. President, it was urgent. The circumstances were such as to require great haste on the part of the Bureau of Engraving and Printing. Our Republican friends do not want the country to know this truth. They want to keep the people in ignorance of the fact that the McKinley Act was a complete failure as a revenue producer. It was not enacted in the interest of the masses. It was the compilation of the manufacturers in their own interest and not the handiwork of Mr. McKinley. McKinley.

So much, then, for the attitude of the Republican party as respects the Treasury at the close of the Harrison Administra-tion. The people will not be deceived respecting the truth of this matter. There had been no extraordinary expenses thrown on the Government. It is true that Mr. Harrison had taken something

over \$200,000,000, found in the Treasury at the close of Cleveland's former Administration, and bought bonds at a premium of about \$36,000,000. But that will hardly be claimed to be creditable financiering. It may have hastened the condition of affairs able financiering. It may have hastened the condition of affairs I have described, but aside from that there had been no extra-I have described, but aside from that there had been no extra-ordinary drain on the Treasury, nothing more than the usual expenses of the Government. And yet the McKinley Act failed utterly to produce the necessary revenues to pay the expenses, and Mr. Foster, as the chief financial officer of the Government, was put to the necessity, just a few days before the inauguration of Mr. Cleveland in 1893, of giving directions to the Chief of the Bureau of Engraving and Printing, in anticipation of the passage of a law authorizing the issuance of 3 per cent bonds, to speedily of a law authorizing the issuance of 3 per cent bonds, to speedily engrave bonds. These bonds were to be issued for the purpose of obtaining money to conduct the ordinary expenses of the Government. Although the McKinley Act is declared by its supporters to be the most perfect act of protective legislation the country has ever seen, it is a notorious fact that it failed to produce the necessary revenue, and therefore the Republican Administration was on the verge of healtwarder and a great and ministration was on the verge of bankruptcy and a great and pressing necessity existed for the issuance of bonds.

It will not do for our Republican friends to say, because Mr. Harrison passed out of office without in fact issuing bonds, that therefore their party is guiltless. If Mr. Harrison had remained in the Presidential chair until the 1st of May, 1893, he would have issued bonds. It was an open secret that Mr. Foster had been in New York but a month or two before the inauguration, had called together Mr. Williams and other financiers of that city, and had formed a syndicate to purchase the bonds that were to be issued; and there was an evil rumor attached to the trans-

to be issued; and there was an evil rumor attached to the trans-action that Mr. Foster was to be the recipient of profit from the syndicate. Of that, however, I know nothing and I care nothing. Mr. PLATT. Mr. President—

The PRESIDING OFFICER (Mr. PASCO in the chair). Does the Senator from Nebraska yield to the Senator from Connecticut? Mr. ALLEN. Certainly.

Mr. PLATT. Does the Senator from Nebraska state that there

was any such rumor or statement as that made anywhere?

Mr. ALLEN. I do say that such a statement appeared in the

Mr. PLATT. If so the Senator ought to give his authority. I never heard of such a statement.

Mr. ALLEN. We read a great many things that we can not Mr. ALLEN. We read a great many things that we can not give authority for. I can not give authority further than to say that I read it in the press dispatches. There was a rumor at the time; I remember it distinctly. I want the Senator to understand, however, that I am not making this as a charge. I said that I did not make it as a charge, but I remember distinctly at time reading in the press dispatches that it was said that Mr. Foster was to share in the profit of the syndicate, and that the profit to the syndicate would amount to two and one-half million dollars.

Mr. ALLISON. I think in a charge of that sort the Senator.

Mr. ALLISON. I think in a charge of that sort the Senator ought to be able at least to produce the newspaper at some time—I do not mean just at this moment. I confess I never heard such a statement before, and I am a reader of newspapers.

Mr. ALLEN. I speak of what I read in the press dispatches. I said to the Senate that I did not make a charge of that kind, and I do not make the charge. I read a great many things, as other Senators do, in the newspapers every morning, and I can not tell the next day in what paper I read them. But I did not suppose there was any doubt of the fact that the statement was made in the press. Whether it is true or not I do not know, and I do not

are for it one way or the other.

Mr. President, that was the condition of the Republican party in respect to this bond question when Mr. Harrison went out of office and Mr. Cleveland came in. I am not speaking as the political friend of either, and therefore I think I can do as much justice to one as the other.

Now, what was the condition thereafter? Shortly after Mr. Cleveland came into office it became apparent that, under the operations of the McKinley Act—which continued in force until the 28th of August, 1804, a year and a half—the gold reserve would be trenched on to meet the ordinary expenses of the Government, unless some method could be devised to raise revenue.

Mr. HILL. Mr. President—
The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. ALLEN. Certainly.
Mr. HILL. As the Senator from Nebraska is speaking upon the bond question, and as it is now 2 o'clock, I suggest that the unfinished business ought to be laid before the Senate in order that he

may speak upon that resolution.

Mr. ALLEN. I am not speaking on the bond question, except

What has become of the bond resolution? Mr. HILL. Mr. ALLEN. I have not seen the bond resolution since the

exploitation of the Senator from New York for several days talked it out of sight.

The PRESIDING OFFICER. The Chair understands that, by unanimous consent, the bond resolution was temporarily laid aside until after the passage of the pending appropriation bill.

aside until after the passage or the pending appropriation that. Hence the Chair did not lay the unfinished business before the Senate at 2 o'clock, as is usually done under the rule.

Mr. ALLEN. Mr. President, all these subjects enter into the question whether or no we are to appropriate \$40,000,000 extra at this time. I heard the Senator from California [Mr. White] a at this time. I heard the Senator from Canada a for our coast few moments ago speak of \$300,000,000 as necessary for our coast for a few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary for our coast few moments ago speak of \$300,000,000 as necessary few moments ago speak of \$300,000 as necessary fe defenses as though that were a mere bagatelle. We are required to determine whether the country is in a condition, or can be put in a condition, to make such an appropriation under the legislation enacted by either of the two great political parties, as they repeatedly and with seeming delight call themselves, or under any legislation that they are likely to enact.

Now, then, returning to the question of issuing bonds. The McKinley Act of 1890 had proved to be an absolute failure. It

was Republican legislation. It was the child of Republicanism.

Its parentage can not be denied. It was held up to the country, and will be held up this fall, as the greatest act of tariff legislation in the history of our country.

The Government had run a few months under Cleveland's Administration, until February, 1894, when the Secretary of the Treasury (whether or not he was directed to do so by the President, I do not know, but his act certainly received Executive sanction in some way) issued \$50,000,000 of bonds to borrow money. The money was borrowed and placed in the Treasury. Possibly I will be corrected here again and be told that I ought not to make the statement, but I have been told by reliable authority that of the first \$50,000,000 of bonds that were issued and sold for reached the Treasury. I do not know whether this is true or not.

I give it as I got it, for what it is worth.

Where was to be found the authority of the Secretary of the Treasury to issue bonds? It might be supposed from what we

hear in this city—at the Departments and in Congress—that all we need is a President and a Secretary of the Treasury, and the bonds and money will come as speedily as they can issue bonds. I have supposed until this time, and I am yet inclined to believe, that, when an agent, great or small, undertakes to bind the princifor whom he acts, he must have some authority in the form of a statute, if he acts for a sovereign power, or in the form of a power of attorney in the case of a corporation or private individ-Yet we are told by Democrats and by Republicans, too, that there is no limit to the power of Mr. Carlisle to issue the bonds of the Government and engulf this nation in a debt that can not be paid in a hundred years, if he shall see fit at his caprice to do so.

Another \$50,000,000 of bonds were issued under the same pretended authority, that of the resumption act of 1875. There was

tended authority, that of the resumption act of 1875. There was still another issue of \$62,000,000. All the money that came into the Treasury as a result of these issues was wiped out almost by a single touch of the wand of the gold power. Then we have had an issue of bonds since the beginning of the present year of \$100,-000,000. And now we are told, as though it were something to gloat over, as though it were something to be proud of, that there is \$170,000,000 surplus money in the Treasury, that we must get of this surplus by appropriating it for the construction of battle ships, and that we must devise other schemes and methods of reducing it. Yet it was confessed, if I remember rightly, by the distinguished Senator from Maryland [Mr. Gorman] but a day or two ago that we are in default over \$100,000,000 for current expenses, which we must pay.

sir, the money is not to be applied to the payment of our bonded or unbonded debts. Our debts are to be permitted to accumulate, and we are to take this surplus money, borrowed by the issuance of bonds without authority and that must ultimately be paid by the sweat, if not the blood, of our people, and invest it in great battle ships that will give the Carnegie Works and the Bethlehem Works an opportunity to make more money out of the Government, when there is not the slightest possibility, as I have already shown, of a war between this country and Great Britain or any other power.

Mr. President, the bonded debt of this country has been increased within the last two years, under the Cleveland Administration, to the extent of \$263,000,000 in round numbers. Two hundred and sixty-three million dollars have been placed on the farms and

sixty-three million dollars have been placed on the farms and homes of the industrial classes as a great mortgage that we might obtain gold to satisfy the appetites of the shylocks.

We have been told, and we will be told, that it is necessary for us to do this because we are on a gold basis. Mr. President, we are not on a gold basis, except by the mere arbitrary construction of the Treasury Department. We have in round numbers \$500,-000,000 of Treasury notes—greenbacks and notes issued under the Sherman Act—that are legal tenders, every dollar of which by ex-

press law is redeemable in silver as well as in gold. There is a positive command on the part of Congress in the form of a statute that these notes shall be redeemed in coin, and yet, because the money power of Lombard street and Wall street says to our officers, "You must redeem these notes in gold," they openly, flagrantly, dogmatically, persistently, and without reason violate the statute and comply with the request of the shylocks, and, by that means, and that alone, we are placed on a gold basis.

Sir, suppose Mr. Carlisle had obeyed the provisions of the Sherman Act and the acts preceding it, and had redeemed the greenbacks and the Treasury notes in coin, in silver coin and gold coin, according to the condition of the Treasury, how frequently would these shylocks, who are engaged in looting the Treasury from month to month, have presented the notes for redemption at the Treasury Department? They would have tried the experiment once only, and then they would have ceased.

No, Mr. President, this Government is bound hand and foot by the gold power of this country and Europe, and any man who stands in this Chamber and asserts the doctrine which I do must understand well that he does so at the peril of certain political death, for Shylock will spend his money lavishly to defeat such a man.

Mr. President you can find the gold shylocks and their agents.

man.

Mr. President, you can find the gold shylocks and their agents in this Capitol building from the opening to the closing of every session of Congress. Their faces are as familiar as are the forms of birds of passage. They are here to buttonhole Senators and Representatives, to cajole, to threaten, to do worse if they can, in upholding their peculiar views of the financial policy the Administration and Congress should pursue. It makes no difference to them that the Constitution recognizes silver as money. It makes no difference to them that our highest officers have stood in the presence of thousands of their fellow-citizens and with raised hands and bowed heads have taken an oath before heaven to observe and uphold the principles of the Constitution of the United States. It makes no difference to them that the Constitution puts gold and silver on terms of equality and recognizes them both as money. They would destroy all these for their own advantage, and require the highest officers of our nation to bow in meek submission to their demands.

and require the highest officers of our nation to bow in meek submission to their demands.

Now, sir, who established this bond and gold policy, if it rises to the dignity of a policy? Here appear the two old political parties on the scene. Who established the exclusive redemption of legal-tender notes in gold? During Harrison's administration this question was mooted in New York. A construction of the act of 1840 had not been given, however, and Mr. Harrison, seeking to succeed himself to the Presidency, gave a hint to Wall street and to Lombard street that he purposed seeing that "every dollar was as good as every other dollar"—meaning that the Government would go to a gold basis. He is the author of that expression. What did he mean? He meant that he had accepted the Wall street theory of financiering; and that silver was to be treated as a mere commodity, to be estimated and measured by gold, and therefore be depreciated.

More than this, Mr. Foster, at the time to which I am referring, when the syndicate was formed to take the bonds which he was preparing to issue, gave the bankers to understand that he would redeem the notes exclusively in gold and would accept their inter-

redeem the notes exclusively in gold and would accept their interpretation of the statute. And he did so. Mr. Carlisle, when he gave to the act of 1890 the construction which he is following gave to the act of 1890 the construction which he is following to-day in violation of every principle for the construing of statutes—there is not a court of any intelligence or integrity in the United States that would construe the act as he has construed it—was but following the example set by his Republican predecessor. This proves, if the country needed proof, that there is no distinction between Republicanism and Democracy. It is proper, Mr. President, that I should make some exceptions, and I want the internal content of the latest three there. it distinctly understood, if I do not mention it at length, that I at distinctly understood, if I do not mention it at length, that I do except the silver Democrats and silver Republicans, who have proved themselves to be patriotic citizens. But there is no difference between the power that moves the Republican party and the power that controls that part of the Democratic party that occupies the White House and the official positions. Both hold to the doctrine that gold shall be what they call the "standard of value"

It would take too long, and it would be tiresome to the Senate, to the country, and to myself, to consider the various subterfuges that are offered from time to time on the question of silver; therefore, I shall merely refer to the matter at this time. I heard the fore, I shall merely refer to the matter at this time. I heard the senior Senator from Ohio [Mr. Sherman] yesterday use one of these subterfuges in speaking of a 50-cent dollar. Mr. President, I do not believe that any really sane man, who speaks his convictions, ever thought there was such a thing as a 50-cent dollar. I do not believe that any intelligent man will assert that a dollar in this country is composed of anything less than 100 cents. It makes no difference what the material, it takes 100 cents under our system to make a dollar, whether of gold, silver, or paper. The senior Senator from Ohio, and others thinking as he does,

who use the expression "a 50-cent dollar," might say with as much consistency that there is a white blackbird, or that 90 degrees form a complete circle, or that perpetual motion has been estab-

form a complete circle, or that perpetual indeed has been established.

I shall not go into that feature of the question, however, but I desire to demonstrate that there is no distinction between the moving power of the Republican party, and the moving power of that part of the Democratic party now in control of the Government, in the interpretation of our statutes so as to make all forms of our paper money redeemable in gold.

What effect has this? Why, it forces the Government to issue bonds; that is its purpose. That is the purpose that receives support from both the old political parties. You can see this purpose manifest in the gold press, in the daily press, the weekly press, and in magazine articles. The time has come, they say, when the United States, like England, must have a perpetual national debt; and, with a perpetual national debt in the form of bonds, we will hold the country together when all other things fail. The capitalistic classes must have something in which to invest their surplus money. Therefore the scheme has been started, prompted and promoted by both old parties, to engulf this nation in a persurplus money. Therefore the scheme has been started, prompted and promoted by both old parties, to engulf this nation in a perpetual national debt, resting as a mortgage upon the property and

industry of our producing classes.

Mr. President, can it mean anything else? Why, sir, it means even more. It means another conspiracy to transfer for all time the sovereign power to issue money from the Government, where the Constitution placed it, to the hands of the national banks. Mr. Cleveland said in his annual message to Congress, and it was creviand said in his annual message to Congress, and it was repeated by Mr. Carlisle in his report as Secretary of the Treasury, that what we must do is to divorce the Government from the issuance of any form of paper money and turn over that power wholly to the national banks. Has any man ever been able to tell why the Government's sovereign power to issue money should be abandoned and a few private corporations be permitted to usurp it? No, sir; it was conferred on the Government by the Constitution of the benefit of the people for all presentings. tion for the benefit of the people for all generations of our national existence, and there never was the slightest thought of transferring it to private corporations until the exigencies of our recent civil strife seemed to make it temporarily necessary. The author of the scheme declared that it was a temporary expedient; that it was a war measure, and that, when the war was over, it would pass away and the right to issue money would revert to the Gov-

pass away and the right to issue money would revert to the Government, where it belongs.

Has there ever been any attempt on the part of the Government to retire the national-bank currency? Not the slightest. The Republican party has not dared to incur the enmity of the national banks. The Democratic party has not dared to incur their enmity. The representatives of these parties standing in this Chamber and in the other branch of Congress, do not lift their voices against the nsurpation of power on the part of national banks, and the abandonment of the Government's right to issue money, simply because they fear the national banks and their influences in the politics of they rear the national banks and their influences in the politics of the country. An illustrious President of the United States, the head of the Democratic party, declared not many years ago that the national bank was unconstitutional. What has become of that declaration? We never hear it quoted by Democratic statesmen nowadays. We never see it commended in the Democratic press, for the power that influences the action of the modern statesman

also controls the pre

What does a gold standard mean? It means the issuance of more bonds and the extension and enlargement of the power of the national banks. What did the senior Senator from Ohio [Mr. Sherman] mean two years ago when he stood at his desk in this

the national banks. What did the senior Senator from Ohio [Mr. Sheman] mean two years ago when he stood at his desk in this Chamber and, referring to our different forms of paper money, say that we had practically \$900,000,000 of unsecured indebtedness, which we would have to secure by bonds or in some other way before a great while? What did he mean but to inform the country that he, as the leader of his party, was committed to the doctrine of putting an interest-bearing gold bond behind every dollar of our paper money, and that no form of paper money should be redeemed in silver, the coin of the Constitution?

Mr. President, is anything further needed in support of the assertion that the two old parties are united in a conspiracy to bring this country to a single gold standard? Why, sir, not over five weeks ago the national bankers held a meeting in New York, I think, composed of Democrats and Republicans alike. I remember having talked with one of them on his return from the meeting. He said to me, and he did not seem to think that he was conveying any news, that they fully indorsed the policy of the President and the Secretary of the Treasury in their efforts to retire all forms of paper money and to issue bords for that purpose. Not only that, but he said further that the National Bankers' Association had declared that they would use every influence within their power to control the delegations to the Republican and Democratic national conventions this year; that they had declared it openly and in writing.

It seems to make no difference whether the national banker is a

Republican or Democrat, according to the resolutions of the association. The bankers propose to control the action of both the Democratic and Republican national conventions on the financial question in the interest of the single gold standard. propose to use for political effect the power which they prossess over the patrons of their banks. What does this radical action mean? It means, among other things, that the delegates who are chosen to the national convention of the Democratic party are, if possible, to be debauched in the interest of the single gold standard by the organized national banks of the country. standard by the organized national banks of the country. It means the same thing as respects the delegates to the Republican national convention. It means that public sentiment is to be stifled by the purchase of delegates with gold, if necessary, and that this great selfish interest is to spread like an octopus over every section of the country. The farmers, the laborers, and the masses are to have nothing to say. The Populist party has no money to conduct a campaign; and therefore, it is harmless, according to the ideas of these gentlemen. Some of our friends, the enemy, say occasionally that Populism is destined to an early frost, and that it will soon disappear. But, sir, I have faith in the patriotism and loyalty of the people of our country. I believe they will eventually see that they can find no relief in the ranks of either the Republican or Democratic party, and that, when that

day comes, the country will be saved.

According to the scheme of the money power, as fast as Government bonds are issued the legal-tender notes of the Government are to be retired and the national banks are to issue notes to circulate in their stead. Their issue has increased from \$170,000,000 a year or two ago to about \$222,000,000 now. Here is an extraordinary power which has been taken from the Government, where the Constitution placed it, and auctioned off to private corporations. Now, as a new lease of power, they are to be authorized to issue their notes in lieu of the Treasury notes of the United States, and to loan them out to the people at rates of interest running all the way from 6 per cent per annum to 2 per cent per minute, according to the necessity of the man who may be compelled to borrow of them; and this great favor they are to receive pened to borrow of them; and this great favor they are to receive in exchange for their political influence. This influence will be a more important factor in the politics of our country in the future than it has been in the past, though it has been very powerful in the past. Our country is coming to the point where the Government is to be made a Government of the banks, by the banks, and for the banks, and the people are to disappear except as the mere producers of wealth at a very low standard of civilization.

Mr. President, Lidonot want any man to get that Laws and the products of the political control of the part of t

Mr. President, I do not want any man to say that I am an enemy of legitimate banks and banking. They are necessary in our commerce, necessary in our civilization, and necessary for the successful transaction of our business. I wish to see the banks and cessful transaction of our business. I wish to see the banks and bankers thrive, the same as I desire to see any other legitimate industry develop, but I want the banks to keep their hands off the politics and legislation of the country. Why, sir, in practicing law you are compelled to rely on yourself. You have the protection of the Government to pursue your occupation as best you can, but that is all. Do you know any reason why the man who is doing business across the street from you should be invested with the special power to issue big note and call it more. vested with the special power to issue his note and call it money to usurp a sovereign power that was placed in the hands of the Government for your interest and the interest of every other citizen? Mr. President, this is a dangerous power when conferred on private corporations. I do not want to see the banks destroyed—by no means. I want to see the Government take the money-issuing power from them, and then let them stand or fall like any other private corporation, like State banks for instance, and succeed or fail according to the merits of their busi-

ness and the skill and honesty they employ in conducting it.

By a false construction of the statute for the redemption of Tressury notes and by the enlargement of the issue power of na-tional banks we are to have fastened on us the single gold standard; we are to have notes issued by the banks in lieu of notes issued by the Government, a perpetual national debt, and domination by national banks.

Mr. President, there is other and indisputable proof that this conspiracy of the money power has not contented itself with tampering with Congress, the President, and the different subordinate branches of the Government. It has reached the highest judicial tribunal of the Government. Is it supposed that any man can be

tribunal of the Government. Is it supposed that any man can be placed upon the Supreme Bench to-day—let us talk plainly about this matter—whose opinions on great political and financial questions are not known before he is appointed?

I remember, Mr. President, and so do you, the struggles which occurred in this Chamber within the last three years. I am violating no secret of the Senate and I am saying nothing that I ought ing no secret of the Senate and I am saying nothing that I ought not to say when I state that the sole recommendation of two nominees of the President for judge of the Supreme Court of the United States was the fact that they were corporation lawyers. They had not a single qualification except they had been raised under the influences of corporations; they had studied the law of corporations; they were committed to the side of the corporation

as against the individual. Whether or no that made them eligible, they were selected and nominated, and their names were sent to us for confirmation. The people who believe that a man can be placed on that bench whose opinion is not known in advance on great questions are simply hoodwinked; they are mistaken.
They believe that the Government is more honest and more honorable than it is.

What has happened recently? We passed, as one of the important features of the Wilson bill, now known as the Wilson-Gorman Act, an income-tax law. It was in strict accordance with the established usage of the Government. In 1796 the Supreme Court of the United States in the Hylton case, in Third Dallas, decided the constitutionality of an income tax without a discenting opin-ion. There were opinions delivered in that case by Mr. Justice Chase, Mr. Justice Iredell, Mr. Justice Patterson, and by one other justice whose name I do not now recall. There was no dissent from the proposition that by the Constitution the power was conferred on Congress to impose an income tax. We imposed an income tax as one of the features of the Wilson bill of 1894 directly in accordance with precedent. There were at least one-half dozen in accordance with precedent. There were at least one-half dozen income-tax laws passed between 1790 and 1880. They had passed in favorable review before every judge who had occupied a place on the Supreme Bench of the United States as Chief Justice or associate justice up to the last date. And following these precedents, in 1894 we put an amendment on the Wilson bill which would have brought to the Government \$30,000,000 of revenue annually if it had not been annulled by the action of the Supreme

Mr. President, it was necessary to get rid of this provision in order that the plan of the money power might be carried out. The highly protected industries could never have the people completely by the throat until they were able to get rid of the Government's power to tax incomes. I remember as distinctly as though it were yesterday how the honorable senior Senator from New York [Mr. Hill] inveighed against taxing the prosperity of the country, as he was pleased to call it, as though the poverty ought to be taxed, as it is being taxed now, and idle income gatherers be permitted to escape taxation. I remember how he met the decisions in the Hylton case, the Veazie Bank case, and other cases, including the Springer case, by the assertion—it sounds now like prophecy—that the law would be declared unconstitutional. I have never before given the Senator from New York credit for being a prophet. But I now give him credit for being a successful prophet in that case.

Mr. HILL. Will the Senator from Nebraska permit me?

Mr. ALLEN, Certainly.

Mr. HILL. The Senator speaks of the decision of the Supreme

Court on the income-tax question as though it were a surprise. Does not the Senator know that on several constitutional questions which were discussed in the Senate, a Senate composed of very many able lawyers, the vote was very close? Did the Senator himself argue in favor of the right of the National Government to tax State and municipal bonds, and was he surprised that the Supreme Court of the United States unanimously decided that that provision was unconstitutional?

Mr. ALLEN. I am not surprised at anything that happens here—absolutely nothing. If I were to be told to-morrow that every citizen of the 70,000,000 was to be a bond slave I would not be surprised. They are, as a matter of fact, industrial slaves now. I was speaking, however, of the Supreme Court of the United States, and the peculiar effect of their opinions on the income tax.

Mr. President, do you not see the purpose? It is just as plain as the thimble-rigging game with which we were all more or less familiar as boys. If the money power could induce the Supreme Court to declare the income tax invalid, the millions of the rich would escape taxation. Then they could put the final nail in the political coffin of the industrial slave and make him bear the full burden for all time. How was that to be done? How could it be done? There was only one place to go to accomplish it. I will not say it was accomplished by design, but I call attention to the fact that the first decision of the court in May last—I think it was in May—upheld some of the main features of the income-tax law. It would have been unblushing and inexcusable to have overruled at one time five decisions extending over a period of almost one hundred years, so the court was reconvened and a reargument was ordered. These rearguments are always dangerous, no matter where they occur, and are always open to suspicion. Mr. Justice Jackson was brought to Washington more dead than alive—for he died shortly after the second hearing—and by some mysterious process, which the world does not know and never will, one of the judges, who had joined in deciding the act constitutional in part, changed his mind and pronounced it wholly unconstitutional. His change of mind possesses great significance to me from the fact that he is a citizen of a State that is peculiarly benefited by tariff taxation.

In 1796 the Supreme Court unanimously declared the constitutionality of the income tax in the Hylton case. They declared its constitutionality as late as October, 1880, in the Springer case in

102 United States Supreme Court Reports; they declared its con-102 United States Supreme Court Reports; they declared as constitutionality in the Phoenix Insurance Company case, in the Vealer Bank case, and in still another case, the name of which I do not at this time recall. And yet in 1895 all the great judges who had passed on the laws authorizing an income tax were overruled by the Supreme Court as now constituted by a bare majority.

the Supreme Court as now constituted by a bare majority. It may not be unimportant in the history of this question to glance over the list of gentlemen who have composed the Supreme Court of the United States in the past. When the Hylton case was determined in 1796, Oliver Ellsworth was the Chief Justice and William Cushing, James Wilson, John Blair, James Iredell, Thomas Johnson, William Patterson, and Samuel Chase were the associate justices. That law passed in successful review before those gentlemen. It is true that Chief Justice Ellsworth took his seat on the bench on the day the opinion was rendered and did not participate in it, but never during his term of service did he dissent from it, or the principle recognized by it, and it passed successfully in review before that court without a dissenting voice. Chief Justice John Jay was nominated and confirmed as Chief Justice of the Supreme Court of the United States before Oliver Ellsworth, but he declined the appointment, and John Marshall was made Chief Justice and so remained from June 30, 1801, to July 6, 1835. 1801, to July 6, 1835.

Four income-tax laws were enacted by Congress between the time the Hylton case was decided and the time John Marshall retired from the Supreme Bench, yet the decision in the Hylton case was never questioned. These income-tax laws were executed during his incumbency. Then came Roger B. Taney, Chief Justice, from November 15, 1836, to October 12, 1864, and those acts passed successfully in review before him.

assed successfully in review before him.

Mr. HILL. The Senator seems to think highly of Chief Justice

ALLEN. Yes; with the exception of his opinion in the

Mr. HILL. The Senator thinks well, with one exception, of all the decisions of that judge, who was upon the bench for twenty or

twenty-three years?

Mr. ALLEN. I admire his great ability.

Mr. HILL. And his legal knowledge?

Mr. ALLEN. And his great legal knowledge and his purity of

Mr. Hill. When the income-tax provisions of the tariff bill were pending here, I read during that discussion a letter from Chief Justice Taney, of the Supreme Court, in which he wrote to the Secretary of the Treasury that an attempt to tax the incomes or salaries of the justices of the Supreme Court under the income lay of 1869 were in his judgment unconstitutional. law of 1862 was, in his judgment, unconstitutional. That same provision was incorporated in the recent income law, and not-withstanding that opinion of Chief Justice Taney, which I read here, the Senator from Nebraska voted to overrule it and put a tax on the salaries of the justices of the Supreme Court.

Mr. ALLEN, Yes, that is true, Mr. President, and I would do

it again.

Mr. HILL. How can the Senator reconcile his confidence in Chief Justice Taney with the vote the Senator gave?

Mr. ALLEN. Mr. President, perhaps I can illustrate my position better by referring to the Senator from New York than I can by referring to Chief Justice Taney, because I know the Senator better. I have the utmost confidence in the ability of my friend from New York, and certainly I have now the utmost confidence in his gift of prophecy. Yet I have heard the Senator from New York advocate things which I thought were absolutely unsound and which I still think are unsound. It is not necessary for me to abandon my own convictions in every instance. lutely unsound and which I still think are unsound. It is not necessary for me to abandon my own convictions in every instance. A great man who is right ninety-nine times out of a hundred may differ from me, but it might be that in a few instances I would be right and he wrong. I am here to discharge my duties as I understand them, not as some other man understands them. My position in this respect must be distinctly understood. If it brings me in conflict with the opinions of other gentlemen, I am very sorry; but unless I can, after due investigation, understand a question as he understands it, I shall vote my own convictions and follow my own judgment.

and follow my own judgment.

Now, Mr. President, here was Roger B. Taney, a great jurist, who was Chief Justice from November 15, 1836, to October 12, 1864, and no question was ever raised before him as to the constitution-

ality of any of the income-tax laws, although many of them were in existence and being enforced while he was a member of the court.

These acts passed successfully in review before Salmon P. Chase, and their constitutionality was affirmed by him and the court over which he presided. They passed successfully in review before Morrison R. Waite, and their constitutionality was affirmed by him and the court over which he presided. We come at last to the present Chief Justice, Melville W. Fuller, who became Chief Justice July 20, 1888. It was reserved for him alone, of all the distinguished and illustrious Chief Justices, to discover that his predecessors had been wrong as to the constitutionality of the income-tax law.

The Hylton case, and the income-tax laws which were enacted after that decision, passed successfully in review before this long list of associate justices of the Supreme Court:

ASSOCIATE JUSTICES

-	James Wilson	Sept. 27, 1789, to Sept. 13, 1810 Sept. 29, 1789, to Aug. 28, 1798 Sept. 90, 1789, to Jan. 27, 1796 Feb. 10, 1780, to Oct. 20, 1799	Years. 20 8 6	Months. 11 10 3	Days, 16 29 27 10 28 15 22 27 20
1	Thomas Johnson	Aug. 5, 1791, to Mar. 3, 1793	1	6	10 28
1	William Patterson	Mar. 4, 1793, to Sept. 19, 1806	13	6	15
1		Jan. 27, 1796, to June 19, 1811	15	4	22
1	Alfred Moore	Sept. 29, 1798, to Mar. 26, 1829	81	1	27
1	William Johnson	Dec. 10, 1790, to Mar, 1804	90	35	20
1	Prockholet Timingston	Mar. 26, 1804, to Aug. 11, 1834 Nov. 10, 1806, to Mar. 18, 1823	30	4	15
1	Thomas Todd	Mar. 3, 1807, to Feb. 7, 1826	18	4	8
1		Nov. 18, 1811, to Sept.10, 1845	33	9	4
1	Gabriel Duval	Nov. 18, 1811, to Jan, 1835	99	1	223
1	Smith Thompson		23	8	8 4 23 12 17 16
1	Robert Trimble	May 9, 1826, to Aug. 25, 1828	2	3 3 0	10
1	John McLean	Mar. 7, 1829, to Apr. 4, 1861	33	0	97
1	Henry Baldwin	Jan. 6, 1830, to Apr. 21, 1844	14	3	27 15
1	James M. Wayne	Jan. 9, 1835, to July 5, 1867	33	5	26
1	Philip P. Barbour	Mar. 15, 1836, to Feb. 24, 1841	4	11	9
1	John Catron	Mar. 8, 1837, to May 30, 1865	28	22 22 22	9 23 27 28
1	John McKinley	Apr. 22, 1837, to July 14, 1852	14	2	27
	Peter V. Daniel	Mar. 3, 1841, to May 31, 1860	19	2	28
1	Samuel Nelson	Feb. 13, 1845, to Dec. 1, 1872	27	.0	18
		Sept. 20, 1845, to Sept. 4, 1851	0	11	14
Н	Robert C. Grier	Aug. 4, 1846, to Jan. 31, 1870	28	5	27
	Benjamin R. Curtis	Sept. 22, 1851, to Sept. 30, 1857	8	0	8
	Nathan Clifford	Mar. 22, 1853, to May 21, 1861 Jan. 12, 1858, to July 25, 1881	23	1	29
		Jan. 24, 1862, to Jan. 24, 1881		6	13
	Samuel F Willey	July 16, 1862, to Oct. 13, 1890		0	- 00
	David Davis	Oct. 17, 1862, to Nov. 4, 1877	28	9	27 17
)	Stephen J. Field	Mar. 10, 1863	14	4	14
	Sechmon at a total	MARKET AVI AVOV			

Stephen J. Field is the first man on the list which I have read, aside from the present Chief Justice, who discovered that nearly one hundred years ago the Hylton case had been wrongly decided, and that all the cases since determined were bottomed on wrong principles. Yet, Mr. President, Mr. Justice Field had, by not dissenting, given his assent to two of the cases in which the Supreme Court declared the constitutionality of an income-tax law.

An income-tax law also received the approval of the court when it was composed of the following associate justices:

David J. Brewer	1	Stanley Matthews Horace Gray Samuel Blatchford Lucius Q.C. Lamar David J. Brewer Henry B. Brown	Dec. 21, 1860, to May 14, 1887 May 12, 1881, to Mar. 22, 1880 Dec. 20, 1881 Nov. 22, 1882, to July 7, 1863 Jan. 16, 1888, to Jan. 23, 1893 Dec. 18, 1889 Dec. 29, 1890 July 26, 1892	6 7 11 5	4 10 5 0	10
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From the organization of the Supreme Court, from the day of John Jay to the day of Melville W. Fuller, no member of the court had supposed that the Government did not possess the constitutional power to levy an income tax. The question had been thoroughly and exhaustively investigated by Congress in the passage of some half dozen or more income tax laws; it had been this investigated by the Chicago Institute of the Institute

sage of some half dozen or more income-tax laws; it had been patiently investigated by a majority of the Chief Justices whose names I have mentioned, and yet, in 1895, it remained for a bare majority of the present court to discover that the Hylton case, that the Veazle case, that the Phœnix Insurance Company case, that the Springer case, and all other cases on the subject, and all the laws that had been passed by Congress throughout the history of the country, were wrong, and that the Government does not possess the constitutional power to impose an income tax.

Mr. President, I am not a member of the Supreme Court, and no man entertaining the opinions I do ever will be, at least not until there is a change in our system of doing business. I do not say that the last decision, which was made by a bare majority of the court, is not the honest opinion of that high tribunal. On that subject I say nothing. But I do say that it is a most singular circumstance, and it will stand our prominently in the judicial history of the country, more prominently than the electoral decision of 1877, which was one of the most vicious decisions of the age, as an exceptional case in the constitutional history of the country sion of 1877, which was one of the most vicious decisions of the age, as an exceptional case in the constitutional history of the country that great men like Oliver Ellsworth; John Marshall, Roger B. Taney, Salmon P. Chase, and Morrison R. Waite, and their associates, were wrong in determining that Congress, under the Constitution, had power to impose an income tax, and that it was reserved for Melville W. Fuller and a bare majority of his associates to discover that their predecessors had been in error for nearly one hundred years. It will stand out prominently that over thirty associate justices who have occupied the Supreme Bench during our national existence, and before whom this question had passed in review successively, and who had given to the doctrine their full assent—it will be a marvelous thing in our judicial history— that five gentlemen out of nine, in the year of our Lord 1895, dis-covered that all their illustrious predecessors for a hundred years

covered time an their intustrious predecessors for a hundred years had been wrong.

Passing this late decision—which I have noticed more for the purpose of showing somewhat in detail the history of constitutional power—passing from that, and admitting that the Supreme Court had a right to decide as it did—and we must obey its decision whether right or wrong—letting it remain a profound secret born the decision was brought about let me absorve that the how the decision was brought about—let me observe that the direct result was to call loudly for the enactment of a tariff that will impose additional and heavier burdens on an already tax-

midden people.

Mr. President, can there be any doubt that the people have lost confidence in the Supreme Court? I declare it as my solemn conviction that the thinking people lost confidence in the Supreme Court when it rendered the decision in the case of Tilden against Hayes, when some of the judges of that high tribunal suffered themselves to be dragged from the court room, where they be-longed and where the Constitution had placed them, to be put upon longed and where the Constitution had placed them, to be put upon a political tribunal to decide a merely party question between contending political parties. The last income-tax decision will be as exceptional, anomalous, and suspicious in our judicial history as is the decision of the Electoral Commission in our political history. Mr. HILL. Will the Senator allow me to interrupt him? Mr. ALLEN. Certainly.

Mr. HILL. Did not some of the justices who decided in favor the content in the evision that the income tax reas contribution.

of Hayes concur in the opinion that the income tax was constitu-tional; and was the Senator's lost confidence in them restored by

that decision?

Mr. ALLEN. It has not restored lost confidence. I do not know if it has to the Senator from New York.

Mr. GEORGE. If the Senator from Nebraska will allow me, I will state that it is a little remarkable that every justice of the Supreme Court who served on the Electoral Commission came to the conclusion that his party candidate was elected.

Mr. ALLEN. Mr. President, that is not particularly surprising to me, in view of the fact that throughout the entire history of our country no judge has ever yet been known to decide a political question against the party of which he was a member. There has never been an instance of the kind, and it is a sad commentary on the character and stability of our judicial system.

What is the truth as respects the assertions frequently made here that the question which we must discuss this fall, and which

What is the truth as respects the assertions frequently made here that the question which we must discuss this fall, and which the people must determine, is the tariff? Sir, this country has seen good times and bad times, under both a high and a low tariff. The tariff is a false issue. There is practically nothing in it as compared with the great issue of monetary reform, and if the country can be put on a sound financial basis, where it is able to meet taxation successfully, the tariff question will disappear.

Mr. President, when in the history of the country was it more prosperous than under the operation of the Walker tariff act of 1846, a low-tariff act? When was it more prosperous after that than in 1866 and 1867, after the close of the war and before the iniquitous system of contraction had begun? In 1866 this country had the war tariff, that bears the name of the senior Senator from Vermont [Mr. Morrill], the highest tariff that had ever been passed by Congress, and which was made necessary, as its author declared, by reason of the war. He told the country at the time of its passage that as soon as the war was closed, and the demands created by it should be met and satisfied, the act would be repealed. But it was not repealed. Instead of retracthe demands created by it should be met and satisfied, the act would be repealed. But it was not repealed. Instead of retracing our steps we went on from bad to worse until we reached the McKinley tariff, an act that was almost prohibitive of importations. Sir, there was prosperity under the Walker tariff and under the Morrill Act of 1861. Was that prosperity due to the tariff in each instance? Was it due to a low tariff in 1846 and 1847 and to a high tariff in 1866 and 1867, before we entered on the perilous policy of specie resumption, of which the senior Senator from Ohio [Mr. Sherman] is the author?

Sir, the prosperity of the country was due to neither. It was due to the volume of money in circulation in each instance.

It is quite a common thing to be told that all the farmers and laborers need is a high tariff, a tariff that will maintain the wages of the laboring man in this country above those of the laboring man

of the laboring man in this country above those of the laboring man

of the laboring man in this country above those of the laboring man in Europe,
Mr. GALLINGER. Would it interfere with the Senator's argument if I should call his attention to some history regarding the operation of the tariff act of 1846?
Mr. ALLEN. Not at all.
Mr. GALLINGER. If the Senator will go to the Springfield Republican, of which the elder Bowles was editor, he will find an editorial in the year 1850, about three years after that tariff went into operation, which read as follows:

Previous to the passage of that law the manufacturing and mechanical terests in this community were in a flourishing condition. Since that time the condition of things has entirely changed, and it is fully believed that much

of the stagnation of business may be traced to the operation of that law. Manufacturing languishes, mechanics are thrown out of employment, business of all kinds is dull, and unless protection can be afforded to our laboring classes poverty will overtake them. The subscribers therefore pray that Congress will so alter the tariff of 1846 that it will protect the labor and capital of the counterface of the content of the content of the counterface of the content of the from foreign competition.

In Hunt's Merchants' Magazine, in 1854, the Senator will find

the following:

the following:
Confidence is shaken everywhere and all classes are made to realize the security of worldly possessions. The causes which led to this have been a ong time at work. Goods which had accumulated abroad when the demand ad almost ceased were crowded upon our shores at whatever advance could e obtained, thus aggravating the evil.

A little later, January 6, 1855, the Senator will find that the

New York Herald said editorially:

Elsewhere will be found some mention of large failures at Boston and New rleans. The epidemic is traveling over the whole country. No city of any ote can hope to escape.

If the Senator will go to the New York Herald of the same date

he will find an address of the unemployed workingmen's committee to the mayor of that city, in which those workingmen said:

We do not come as beggars, but we ask what we deem right. We ask not alms, but work. We don't want a little soup now, and cast-off clothing tomorrow. But we do want work and the means of making an honest livelihood. The condition of the working classes is most pitcous. They want bread. Is there not enough in the city? They want clothes. Is there none made nowadays?

Mr. President, those are historic facts concerning the operations of the Walker tariff law of 1846, which may have escaped the at-

of the Walker tariff law of 1846, which may have escaped the attention of the Senator from Nebraska.

Mr. ALLEN. Mr. President, there is a great deal of that kind of history which has escaped my attention, and I am very glad that it has. There is a great deal of so-called history that does no man any good to know. I do not refer to the "quotations" of the Senator, however, when I say there is a great deal of history manufactured to support arguments in favor of an abnormally high tariff. mally high tariff.

James G. Blaine, who ought to be authority in Republican circles, in his work, Twenty Years in Congress, took occasion to say—I will not use his exact language nor can I refer at this moment to the page—that the Walker tariff was so satisfactory that no man in public life thought of trying to modify or change it for

ten years after its passage.

Mr. President, I was discussing the question of good and bad times under both systems of tariff when the Senator from New Hampshire interrupted me. I do hope, sir, that the people will not be deceived again to their injury by being led to believe that the leading issue is the tariff. They have been fed on that kind of intellectual trash for twenty-five years, and it has been false at

intellectual trash for twenty-nve years, and it has been raise at all times when asserted.

What has been the condition of the country during that time? I will turn briefly to the Statistical Abstract, which I suppose is correct, as it is issued by the Treasury Department, by Republican Administrations and by Democratic Administrations alike, and I will call attention to some facts that may be well worthy of investigation. I refer now to page 298, No. 67, "Cereal crops," the estimated production of corn from 1872 to 1895. These are the reports of the Department of Agriculture on the subject of corn.

reports of the Department of Agriculture on the subject of corn. In 1872 the average value of the yield per acre, according to this book, was \$12.24. In 1877 it had fallen to \$9.54, and in 1879 it had fallen again to \$8.55, and so on. I will insert this page in my remarks:

No. 67.—Cereal crops: Estimated production and value of the United States from 1872 to 1895.

[From reports of the Department of Agriculture.]

		Total.			Average.	
Calendar year.	Production.	Area of crop.	Value of crop.	Value per bushel.	Yield per acre.	Value of yield per acre.
1872 1873 1874		Acres. 35,526,836 39,197,148 41,036,918	Dollars. 435, 149, 290 447, 183, 020 550, 043, 080	Cents. 39.8 48 64.7	Bushels. 30.8 23.8 20.7	Dollars. 12.2 11.4 13.4
1875	1,283,827,500 1,342,558,000 1,388,218,750	44, 841, 371 49, 033, 384 -50, 369, 113 51, 585, 000 53, 085, 450	555, 445, 930 475, 491, 210 480, 643, 400 441, 153, 405 580, 486, 217	43 37 35.8 31.9 37.5	29, 5 26, 2 26, 6 26, 9 29, 2	12.3 9,7 9,5 8,5 10,9
1879 1890 1881 1883	1,717,434,543 1,194,916,000 1,617,025,100	62, 317, 842 64, 262, 025 65, 659, 545 68, 301, 889	679, 714, 499 759, 482, 170 783, 867, 175 658, 051, 485	39.6 63.6 48.5 42.4	27.6 18.6 24.6 22.7	10. 9 11. 8 11. 9 9. 6
1884 1885 1886	1,795,528,000 1,936,176,000 1,665,441,000	69, 683, 780 73, 130, 150 75, 694, 208 72, 392, 720	640, 735, 500 635, 674, 630 610, 311, 000 646, 106, 770	35.7 32.8 36.6 44.4	25.8 28.5 22 20.1	9.1 8.6 8.0 8.9
1888 1889 1890	1,987,790,600 2,112,892,000 1,489,970,000	75, 672, 763 78, 319, 651 71, 970, 763 76, 204, 515	677, 561, 580 597, 918, 829 754, 433, 451 836, 439, 228	34.1 28.3 50.6 40.6	26.3 27.1 20.7 27	8.9 7.6 10.4 10.9
1892	1,628,464,000 1,619,496,131 1,212,770,052	70, 626, 658 72, 036, 465 62, 582, 269 82, 075, 830	642, 146, 630 591, 625, 627 554, 719, 162 567, 509, 106	89.4 86.5 45.7 28.4	23. 1 22. 5 19. 4 26. 2	9.0 8.2 8.8 6.9

No. 67.—Cereal crops: Estimated production and value, etc.—Continued.

		Total.			Average.	
Calendar year.	Production.	Area of crop.	Value of crop.	Value per bushel.	Yield per acre.	Value of yield per acre.
	Bushels.	Acres.	Dollars.	Cents.	Bushels.	Dollars.
1872	249, 997, 100	20, 858, 359	310, 180, 375	124.1	12	14,87
873	281, 254, 700	22, 171, 676	323, 594, 805	115.1	12.7	* 14.59
1874	308, 102, 700	24,967,027	201, 107, 805	94.5	12.3	11.66
1875	292, 138, 000	26, 381, 512	294, 580, 990	100.8	11.1	11.17
1876	289, 356, 500	27,627,021	300, 259, 300	103.7	10.5	10.86
1877	364, 194, 146	26, 277, 546	394,695,779	108.4	13.9	15.08
1878	420, 122, 400	32, 108, 560	326, 346, 424	77.7	13.1	10, 16
1570	448, 756, 630	32, 545, 950	497, 030, 143	110.8	13.8	15.27
1000	409 540 989		474, 201, 850	96.1	18.1	12, 48
1880	498, 549, 868	37, 986, 717 37, 709, 020	455, 880, 427	119.2	10.1	12.12
1881	383, 280, 090		444, 602, 125	88.2	13.6	11.99
1882	504, 185, 470	37,067,194	202 040 070			
1883	421, 086, 160	36, 455, 593	383, 649, 272	91.1	11.6	10, 52
1884	512, 765, 000	39, 475, 885	000, 802, 200	77.1	10.4	
1885	357, 112, 000	34, 189, 246	275, 320, 390		12.4	8.08
1886	457, 218, 000	36, 806, 184	314, 226, 020	68.7		8.54
1887	456, 329, 000	37,641,783	310, 612, 960	66.1	18.1	8,25
1888	415, 868, 000	87, 336, 138	385, 248, 000	92.6	11.1	10.35
1889	490, 560, 000	88, 123, 859	842, 401, 707	69,8	18.9	8.98
1890	399, 262, 000	86, 087, 154	331, 773, 678	88.8	11.1	9.29
1891	611,780,000	89,916,897	513, 472, 711	83,9	15.3	12.86
1892	515, 949, 000	38, 551, 430	322, 111, 881	62.4	13.4	8.33
1893	396, 131, 725	34, 629, 418	213, 171, 381	53.8	11.4	6.16
1894	460, 207, 416	34, 882, 496	225, 902, 025	49.1	13.2	6.46
1805	467, 102, 947	34,047,332	237, 938, 998	50.9	13.7	6.99
		1	YE. a			
	** ***		22 020 000	Pa n	1	10.00
1872	14,888,600	1,048,654	11, 363, 603	76.3	14.2	10.8
1878	15, 142, 000	1,150,355	11,548,128	76.3	13.2	10.0
1874	14,990,900	1,116,716	12,870;411	85.9	18.4	11.5
1875		1,359,788	13,631,900	76.9	13	10.0
1876	20, 374, 800	1,468,374	13, 635, 826	66.9	13.9	9.2
1877	21, 170, 100	1,412,902	12,542,895	59.2	15	8.8
15/8	20, 842, 790	1,622,700	13,592,826	52.6	15.9	
1879	23, 639, 460	1,625,450	15,507,431	65.6	14.5	
1880	24, 540, 829	1,767,619	18,564,560	75.6	13.9	
1881	20,704,960	1,780,100	19, 327, 415	93, 3	11.6	
1883	2237, 39503, 6857	2,227,889	18, 439, 194	61.5	13.4	
1883	28, 058, 583	2,314,754	16, 300, 503	58.1	12.1	
1884	28, 640, 000	2, 343, 963	14,857,040	51.9	12.2	
1885	23, 756, 000	2, 129, 301	12,594,820	57.9	10.2	
1886	24, 489, 000	2, 129, 918	13, 181, 330	53.8	11.5	6.1
1887	20, 093, 000	2,053,447	11, 283, 140	54.5	10.1	5.4
1888	.1 28, 415, 000	2, 364, 805	16, 721, 869	58.8	12.0	
1893	26, 555, 446	2,038,485	13, 612, 222	51.3	13.0	
1804	26, 727, 615	1,944,780	13, 395, 476	50.1	13.7	
BUTTO - ORRES			11,964,826	44.0		
1895	27, 210, 070	1.890.345				

a No estimates prepared by Agricultural Department for 1889 to 1892.

1872	271, 747, 000 270, 340, 000 240, 389, 600 340, 389, 600 340, 884, 600 408, 884, 600 408, 884, 600 408, 761, 229 407, 761, 229 407, 761, 239 407, 761, 239 407, 761, 239 407, 761, 761, 761, 761, 761, 761, 761, 76	8, 000, 769 9, 751, 700 10, 897, 412 11, 915, 075 13, 358, 908 12, 828, 148 13, 178, 500 16, 887, 977 16, 831, 600 16, 887, 977 16, 831, 600 16, 887, 977 16, 831, 600 20, 304, 902 22, 783, 630 23, 906 23, 908, 282 27, 402, 316 20, 401, 389 27, 77, 603, 835 27, 703, 835 27, 703, 553 27, 878, 403	91, 315, 710 101, 175, 750 125, 647, 530 129, 499, 939 112, 865, 900 112, 865, 900 112, 865, 900 112, 865, 900 112, 865, 900 112, 865, 900 113, 681, 550 193, 198, 970 182, 978, 622 187, 040, 284 161, 528, 470 179, 631, 860 186, 137, 930 200, 600, 790 185, 424, 240 171, 781, 930 200, 600, 790 185, 424, 240 171, 781, 930 200, 933, 312, 367 299, 253, 611 187, 576, 092 214, 816, 920 163, 655, 068	33. 6 37. 4 38. 5 36. 5 36. 5 36. 2 24. 6 38. 1 46. 4 47. 5 32. 7 28. 5 38. 5 38	20. 2 27. 7 22. 7 24. 7 21. 7 21. 4 22. 7 21. 4 22. 6 22. 4 22. 4 23. 4 24. 5 24. 5 26. 6	10. 14 10. 38 11. 47 10. 87 8. 45 9. 25 7. 74 9. 50 9. 20 7. 88 7. 77 7. 77 7. 77 7. 77 8. 45 9. 90 9. 20 7. 88 7. 7. 77 7. 77 7. 77 7. 77 8. 45 9. 25 7. 78 7. 78 78 78 78 78 78 78 78 78 78 78 78 78 7
11-11-		HA	RLEY. a			

BARLEY, a									
1879 1873 1874 1875 1876 1877 1878 1877 1878 1879 1890 1881 1884 1886 1887 1888 1888 1888 1888 1888 1888	20, 846, 400 32, 044, 491 32, 562, 500 38, 710, 500 38, 710, 500 42, 245, 630 40, 223, 109 45, 165, 346 41, 101, 389 50, 136, 095 50, 428, 000 56, 428, 000 56, 812, 000 56, 812, 000 56, 812, 000 56, 812, 000 56, 812, 000 56, 816, 405 61, 401, 465 67, 072, 744	1, 397, 082 1, 387, 100 1, 580, 620 1, 789, 902 1, 766, 511 1, 790, 400 1, 690, 700 1, 690, 700 2, 379, 009 2, 379, 009 2, 638, 318 2, 222, 359 2, 901, 933 2, 901, 933 2, 901, 933 2, 903, 371 3, 170, 602 3, 209, 973	19, 837, 773 29, 333, 529 29, 983, 769 29, 985, 769 29, 985, 769 25, 735, 110 26, 644 24, 483, 315 23, 714, 444 24, 483, 315 23, 718, 015 29, 420, 423 30, 788, 015 29, 420, 423 37, 788, 015 29, 420, 423 37, 672, 682 37, 672, 682 37, 672, 682 37, 672, 682 37, 672, 682 37, 672, 682 37, 672, 682 38, 677, 698 37, 672, 682 38, 677, 698 37, 672, 682 38, 687, 688 38, 687, 688 38, 688, 510 39, 464, 390 37, 672, 682 39, 384, 213	73. 9 91. 5 92. 1 92. 1 96. 5 96. 6 82. 3 58. 7 58. 7 56. 3 53. 6 53. 6 53. 6 53. 7	19. 2 23. 1 20. 6 21. 9 21. 3 23. 6 24. 5 20. 9 21. 5 21. 4 22. 4 19. 6 21. 7 19. 6	14. 20. 21. 11. 21. 11. 18. 97. 16. 77. 14. 55. 13. 66. 77. 13. 66. 77. 13. 66. 77. 22. 13. 56. 12. 37. 11. 47. 12. 00. 12. 00. 12. 00. 18. 8. 88. 88. 88. 88. 88. 88. 88. 88.			

c No estimates prepared by Agricultural Department for 1880 to 1803.

No. 67 .- Cereal crops: Estimated production and value, etc. - Continued. BUCKWHEAT, O

Calendar year.	Total.			Average.		
	Production.	Area of crop.	Value of crop.	Value per bushel.	Yield per acre.	Value of yield per acre.
1872	8, 016, 600 10, 082, 100 9, 608, 800 10, 177, 600 12, 246, 820 13, 149, 000 14, 017, 535 9, 483, 290 11, 019, 353 7, 908, 954 11, 116, 000 12, 025, 000 11, 862, 000 12, 030, 000 12, 132, 311 12, 008, 200	Acres. 448, 497 454, 152 452, 590 575, 530 666, 441 669, 923 673, 100 639, 900 822, 872 823, 815 847, 112 857, 349 879, 403 914, 303 914, 304 917, 915 910, 500 912, 630 815, 614 789, 232 763, 277	Dollars. 6, 747, 618 6, 882, 043 6, 477, 885 7, 106, 297 7, 106, 297 7, 856, 191 8, 622, 488 8, 205, 705 8, 208, 802 6, 549, 020 7, 057, 047 7, 074, 450 6, 120 6, 122, 320 6, 122, 320 6, 123, 33 7, 040, 238 6, 936, 635	Centa, 83 81, 4 80, 8 171, 1 72, 7 68, 8 59, 7 59, 8 86, 5 72, 9 82, 2 82, 2 60, 3 66, 3 66, 3 66, 3 66, 5 6 65, 9	Bushels. 18.1 17.3 117.7 17.5 14.5 15.7 18.2 20.5 17.8 11.4 13.1 13.1 13.1 14.9 13.2 14.9 16.1 13.1	Dollars. 15.00 14.03 14.03 12.44 10.5 10.7 9.5 10.5 9.9 4 7.3 7.7 0 6.7 8.3 8.6 8.9

a No estimates prepared by Agricultural Department for 1889 to 1892

Mr. President, we had a high tariff from 1872 to 1894, but not-withstanding this fact there was a constant fall in the price of corn from \$12.24 in 1872 to \$6.91 per acre in 1895. If there had been any virtue in a protective tariff for the agricultural classes, why did it not manifest itself in maintaining the price of this great staple product?

great staple product?

Take the next great staple, wheat. It dropped from \$15.27 per acre in 1880, a time when the Republican party was in power and a high tariff was in force, to \$6.48 per acre, less than one-half, in 1894, at the time the McKinley Act was in force, and reached \$6.99 per acre for the year 1895.

Mr. President, we were told during the discussion of the tariff bill in the last Congress that a high tariff was the salvation of the farmer; that it was necessary for us to build a home market for the consumption of his products, and that he would get better prices in that way than he could through shipments of his products to larger markets. But during the period of which I speak, wheat lost 60 per cent of its value, and went from a fraction over \$15 an acre in 1880 to six dollars and a few cents in 1894. If there is any virtue in a high tariff, it did not manifest itself and benes any virtue in a high tariff, it did not manifest itself and bene-

is any virtue in a high tariff, it did not manifest itself and beneficially affect the price of wheat.

Take rye, another staple. The value of the yield per acre in 1872 was \$10.83; in 1894 it was \$6.89, and in 1895, \$6.33. There was, as in the cases of corn and wheat, a drop of almost 50 per cent.

Take the case of oats. It was worth \$10.14 per acre in 1872. I do not know why these reports do not go back to 1865, unless to shut out some valuable information; but oats dropped from \$10.14 per acre in 1872 to \$7.95 per acre in 1894. The crop was all produced and much of it on the market before the repeal of the McKinley Act in 1894.

produced and much of it on the market before the repeal of the McKinley Act in 1894.

Take the case of barley, worth \$14.20 an acre in 1872 and \$8.88 per acre in 1895. Buckwheat, \$15.04 per acre in 1872, dropped gradually to \$8.92 in 1894 and rose slightly to \$9.09 in 1895.

Under a system of high protection there has been a fall on an average of fully 50 per cent in the prices of the great staple articles of the farm.

oles of the farm.

Mr. President, does anyone suppose this fall in prices was due to tariff? Our Republican friends will go to the country this fall—they are preparing their arguments at this moment—and declare to the farmers, aiming by that means to deceive them once more, if possible, that prosperity for the farmer and increased value per acre of his products can be brought about only by voting for the party that will enact a law similar to the McKinley Act of 1890. The Republican party will do this in face of the fact that farm products have fallen in price during the period I have stated under the highest protective tariff act we have ever had.

But this is not all they will do. We have had disclosed here a peculiar condition of affairs recently. The official statistics, although they seem to have been gotten up to support a particular cause, will once in a while disclose a really valuable fact. Look for a moment at the failures that have taken place in the United States. I read from page 336 of this abstract:

The total failures in 1893 were 15,242; and total liabilities, \$346,749,889.

\$346,749,889. In 1894 there were failures amounting to 13,185; with total liabilities, \$172,992,856.

In 1895 there were 13,197 failures, with total liabilities of \$173,-

If this book is to be believed, in 1893, under the operations of the McKinley Act, we had 15,242 failures as against 13,197 in 1895 under the Wilson Act. I suppose it would be a natural infer-ence, then, that the Wilson Act was a better law than the McKinley

Act. From 1893, when the failures reached \$346,749,889, their maximum, they decreased to \$173,196,080 in 1895. According to this statement, in 1893, although we had the highest tariff we have ever known, the failures were almost 200 per cent greater in lia-

bilities than they had ever been before or have been since.

Mr. President, I must say in all candor that I have touched these official statistics with the suspicion that they might not be absolutely correct, and that they may have been doctored, but they have been doctored no more under the present than under previons Administrations.

ons Administrations.

What is the difficulty with the country, then? That brings me to the old question of the policy of the Republican and Democratic parties on the money question. If we take the history of our country as it has existed during your life and mine, we will observe that when the volume of money was greatest there was the greatest prosperity among the people, and when it was smallest there was the greatest amount of misery. Why, Mr. President, misery exists all over the land at this moment. We are told by our Republican friends that many of the mills are closed now, and yet I observe by reading the statistics that we have more spinour teputocan triends that many of the minis are closed now, and yet I observe by reading the statistics that we have more spindles in motion to-day than we have had in twenty years. And what, after all, is the trouble? It is scarcity of money. I do not propose, so far as I am concerned, and so far as my limited capacity goes, to see the people hoodwinked and deceived by this combination between the leaders of the two old parties on the tariff issue for the purpose of obscuring the real issue, the money question.

Oh, but we are told, "You want to put the country on a silver basis. You want the people to pay their indebtedness in 50-cent dollars." That kind of argument has been used here for the last three years to my knowledge, and has been refuted successfully every time, so that no one scarcely dare to assert it again. holders of public and private securities, prompted by selfishness, want a small volume of money. Mr. President, they want low prices; they want poverty among the people, so that they themselves, with their money and bonds, can command the greatest amount of property and service at the lowest price. We are told very frequently to look at the condition of Mexico,

and she is held up as a horrible example of poverty and depravity. We read frequently in our press that we can buy two Mexican dollars for one American dollar. This argument is used as though We read frequently in our press that we can buy two Mexican dollars for one American dollar. This argument is used as though it were unanswerable. Mr. President, there is absolutely nothing in it. It is the statement used for the purpose of deception. But, sir, what is the truth? Why, Mr. President, never since its conquest by Cortez, never since the bloody contest which resulted in the downfall of Montezuma, in 1520, never, in all the years of her existence, has Mexico enjoyed the prosperity that she enjoys at this time and has enjoyed for the last ten years. more railroads, more factories, more people at work, higher wages, more prosperity, a greater and higher civilization than in all of the years of her preceding history. It may not be uninteresting to read a Mexican view of their situation, but I will not weary the Senate with reading all I have on that subject. I read from the Mexican Herald of April 28, 1896, published at the City of Mexico, the capital of the Mexican Republic:

Mexico as an awful example Is the heading of the article.

Mr. Carlisle, the gentleman who has been giving the world an object lesson in how not to manage the finances of the great Republic, has had the effrontery to hold Mexico up to an audience in Chicago as an awful example, simply because Mexico is on a silver basis. He has endeavored to show that the laboring population here, paid on a silver basis, is not prosperous, and, while receiving payment in 50-cent dollars, finds the prices of commodities and all luxuries generally much higher than they are in the United States. He declares that the prices of "imported articles especially are exorbitantly high in Mexico because they have to be paid for abroad in gold, and the depreciation of their money is so great that it requires nearly \$2 in silver to pay \$1 in gold."

All we ask here-

Sava the editorsays the editor—
is to be let alone to work out our own problems, educating our working
masses, and creating new industries affording diversified and remunerative
employment for all. The problem here is to modernize Mexico, and the
United States on a silver basis would put us back half a century at least.
The American workingman is now being asked to listen to the seductive
pleas of two old parties which, every four years promise much and do little
While they talk to him of tariff and currency, the steady growth of unfavorable conditions is making it every year harder for him to advance himself
in life. Huge monopolies created by law, voted for by legislators of being
parties, are supreme. Their managers laugh at parties and their platforms.
Their game is all right however the election goes. This fact the American
workingman does not appear to perceive, and men like Mr. Carliele are not
likely to inform him.

Then again:

The representatives of the American manufacturers now here are pleased to find silver-basis Mexico prosperous and likely long to remain so. They also have learned that we are not a bit jealous of our dear-old Uncle Samuel, but wish him joy and lots of fun out of his gold standard.

There never was a time in our history or in the history of Mex-

our own country to advantage has gone to Mexico by the millions. and is constructing their railways, their ships, opening wonderful highways of commerce, establishing successful manufactories, developing mines of all kinds, and opening agriculture to an extent that had never been dreamed of before. Mexico, with her peculiar civilization, was never more prosperous than she is at this time, notwithstanding she is on a silver basis.

I do not want to see this country go to a silver basis, and I am satisfied it never will. I have no confidence in the judgment of the man who asserts that it will go to a silver basis under free coinage. In 1878, when the Bland-Allison Act was passed, the same argument was used. It was then said that if we should have free coinage the country would go to a silver basis, and yet, sir, we accumulated from that time until 1893, when the purchase clause of the Sherman Act was repealed, something like \$236,000,600 of gold, more than we had before. By history it has been irrefutably established that we can successfully sustain the double standard.

Mr. President, it has been quite a common thing for Republicans and Democrats in speeches, letters, and interviews to speak disparagingly of the Populist party, and to assert that Populists are not silver men, although they believe in its use, but that they are in favor of a limitless volume of irredeemable paper money.

That assertion has been frequently made,
Mr. HILL. Where has that been charged?
Mr. ALLEN. It was charged by the senior Senator from Idaho [Mr. Dubois] and the junior Senator from Kansas [Mr. Baker] a short time ago in speeches in this Chamber. I have seen it stated in letters and interviews recently by Republican and Democratic Senators. The Populist party, so say these gentlemen, is in favor of a limitless volume of irredeemable paper money. It is very strange that Populists are compelled to go away from home to get the news. Mr. President, there is not a Populist in Congress or out of it, between the two oceans, or to be found between Canada and the Gulf, who advocates that doctrine, and there never has been a man who advocated it. I want to say to the senior Senator from Idaho and the junior Senator from Kansas that when they told the Senate and the country that the Populist party was in favor of a limitless volume of irredeemable paper money they did not know what they were talking about. Such a declaration is not in the Populist platform; it can not be found in any authori-tative declaration of the party, State or national. It can be found nowhere outside of speeches and utterances of Democratic and Republican statesmen.

Republican statesmen.

But what is this assertion made for? The Populist party numbers 2,000,000 voters to-day. In the first six years of its national existence, it has, in some sections of the country, threatened the complete destruction of the two old parties. I think my honorable friend from Texas [Mr. Mills] is experiencing a strong touch of Populism in his State at this time. It is necessary to ring the alarm; something must be said that will stamp the Populists as vagarists and men claiming and desiring the accomplishment of impossible things to prevent the people from leaving the two old parties and joining its ranks.

Mr. President, every form of paper money we have is redeemable under the law. There is no man living, with sense enough to be called a man, and deserving recognition as such, who does not know that a limitless volume of irredeemable paper money would mean the absolute destruction of the Government that in would mean the absolute destriction of the Government that indulged in it. Then why do these gentlemen make such statements? They are afraid to meet the real issue. They dread the advancement of the Populist party. They make these statements to keep their party friends in line, and they hold up before them the tariff question to deceive them again. While gold bonds and gold bands are being riveted on the limbs of the unfortunate toilers, while a perpetual national debt is being piled up mountain high to plague and vex generations to come for all time, our Republican and Democratic friends, for mere party success, utter this false assertion against the Populist party

Mr. President, the people will not longer be deceived. They realize that when either a Republican or a Democrat occupies the White House, falling prices, want, misery, and poverty exist among the masses. The man who seems to know the least of the Populist party and its beliefs usually asserts the most and makes the list party and its beliefs usually asserts the most and makes the most radical misstatements regarding it. Does any really intelligent man expect that the Republican party will bring prosperity to the country? I have believed since 1893 that it would come back to power this year, that it would elect its candidate to the Presidency, no matter who he might be. I have at no time since the election of 1892, and I am by no means a prophet, doubted that the Democratic party would wreck itself utterly in the four years of Cleveland's Administration. I so declared in a public speech long before Mr. Cleveland was inaugurated at the east side of this Capitol in March, 1893.

The Democratic party as constituted to day goes out of power.

The Democratic party as constituted to-day goes out of power ico when so much American capital has been transferred to that for a third of a century, if not forever, in consequence of incurable country as now. American capital that could not be invested in dissensions in its own ranks, and because the managers of the party

are absolutely owned and controlled by the gold power. I said in the same speech, and I repeat it here at the risk of being called a false prophet, that the Republican party will come back to power in March next with a greater majority than it has had for years, because it will be able once more to deceive and mislead the people on the false issue of tariff, but in 1900 it will pass out of people on the false issue of tariff, but in 1900 it will pass out of power, never again to appear upon or vex the political waters It will utterly destroy itself. The burden of taxation will increase; under its administration; the bonded indebtedness will increase; poverty, misery, want, and distress will increase. The Republican party is now and will remain the bond servant of the gold aristocracy of the money power of America and Europe. It will not dare, nor will it have the ability, to shake off that power.

Mr. President, I have never flattered myself that the Populist party would come into power in 1896. I have never said so nor

Mr. President, I have never flattered myself that the Populist party would come into power in 1896. I have never said so nor assented to the assertion. I have never thought so, nor do I think so now. I expect to see the people hoodwinked again for another four years. They have tried the Democratic party and found its promises misleading and untrue. They tried the Republican party from 1880 to 1893 and found its promises false and misleading. Like rats in a trap, they are jumping to escape. The people will again be deceived into believing that there is a ray of hope in the Republican party; a majority of them will give it their support and it will come back into power.

But in 1900 the Republican party, dejected and broken as a result of promises unfulfilled and expectations unrealized, will disappear, never, in my judgment, to reappear on the horizon of national politics again. The eyes of the common people will be opened to the fact that the claims of the old parties are mere shains and pretenses, that the money power owns and controls them, and that that power is in favor of the establishment of an oligarchy, as it has established an aristocracy now, and that their salvation can only be secured by uniting under the name of Populism, or under some other name, I care not what, for—

ulism, or under some other name, I care not what, for-

A rose by any other name would smell as

A rose by any other name would smell as sweet—
and taking for their motto a "Government of the people, for the
people, and by the people," they will march triumphantly to victory and overturn the Democratic and Republican parties forever.

Mr. President, do you suppose that it is possible to deceive the
people all the time? Look for a moment, if you will, at the condition of our country. We have, according to the census, \$60,
000,000,000 of property in round numbers. Mr. Blaine, in 1890, or
in 1891, in a discussion with Mr. Gladstone on the tariff in the
North American Review, made the statement, which has never
been contradicted so far as I know, that one-half our total wealth
was owned by 50,000 people.

was owned by 50,000 people.

In a number of The Forum about the same time Mr. Thomas
G. Shearman, of New York, said that of the sixty-odd billions
of property in this country, less than 50,000 people owned onehalf; the other portion, of course, falling to the remainder of the 70,000,000. Do you not know that that amount bears a mortgage of \$26,000,000,000? The total indebtedness of the country is about that in round numbers. On one-half the total national wealth retained by the people there is a mighty blanket mortgage of \$26,000,000,000. In 1893 the Hon. John J. Ingalls, of Kansas, recently a member of this body, declared that more than one-half of the \$65,000,000,000 of wealth of this country was owned by less

cently a member of this body, declared that more than one-half of the \$65,000,000,000 of wealth of this country was owned by less than 50,000 people.

How are the people to escape from this tremendous indebtedness? How are they to secure relief from this condition of affairs? Mr. President, the people will never escape until we retrace our steps: never until we arise to a greater and keener sense of responsibility to them; never until the Government is made better and purer and brought back to the original principles on which Jefferson and the founders of the Republic placed it.

Through the manipulation of financial legislation and political jugglery on the tariff, this condition of affairs has been brought about. The people will know this; many of them know it now. They know the deplorable condition of our country.

All over the land there is a pitiful cry for relief. Has the Democratic party the power, the courage, the manhood, under the leadership of Mr. Cleveland, or Mr. Carlisle, if he is to be the heir to the White House, to shake off the money power that inflates its lungs and gives the party life? Will the party dare shake of the money power and return the Government to the people and administer it in their interests?

Mr. President, it will never do this, never in this world. Less

administer it in their interests?

Mr. President, it will never do this, never in this world. Less than three months from this time there will be a bolt and a disorganized party in this country. One portion of Democracy will go to Populism or go to pieces. The other portion will go to the Republican party, where it belongs and where its influence is given to-day. It has not the courage nor the power to shake off the money power. It can not do so. The gold power has it helplessly and hopelessly in its green.

money power. It can not do so. The gold power has it helplessly and hopelessly in its grasp.

Does any man suppose there is real hope of relief through the instrumentality of the Republican party? No, sir; there is no hope. The only thing the Republican party has to offer is the

tariff. It is to be made the panacea for all evils, and yet I have shown, and the history of the country proves conclusively, that under the highest tariff that has ever been imposed, or that will ever be imposed, there has been a constant fall of prices and continued enforced idleness

tinued enforced idleness.

Does any man suppose that the national banks, the gold gamblers, the money grabbers of New York and London, will consent to do anything more than increase the tariff and by that means aggravate the burdens of the people? No. Mr. President, and the national banks have declared that they will influence the national conventions of both old parties. Why, sir, the protected industries pay the election expenses of the Republican party. Out of whom do our Republican friends fry the fat to conduct their campaigns, costing millions of dollars, but out of the protected industries and the money gamblers? The party dare not shake them off. The result will be that they will come back to power in March, 1897. But, Mr. President, in 1900, as sure as the sun shines, as sure as there is a God in Israel and loyalty in the hearts of the American people, the Republican party will go out of power and it will be deader politically than Julius Cæsar has been declared to be in this Chamber, for all time.

Yes, gentlemen, of the Republican party, you may shake your

Yes, gentlemen, of the Republican party, you may shake your fingers in scorn at Populists and Populism; you may tell unsus-pecting people false stories of Populistic beliefs, stories calculated to deceive; but the people who see the 13,000,000 mortgaged homes of our country, without the slightest prospect of relief, will be compelled by force of circumstances to examine the great financompensed by force of circumstances to extain the the great mannical question for themselves; and when they do they will discover that the Republican and Democratic parties are the helpless bond servants of the corporations and the money power. Then, under their own banner, the people will achieve their freedom from corporate and plutocratic domination and resume the reins of their own Government.

The Appropriation for the Payment of Information and Detection of Violations of the Internal-Revenue Laws,

SPEECH

HON CLAUDE A. SWANSON.

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, March 31, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 7664) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1897, and for other purposes.

Mr. SWANSON said:
Mr. CHAIRMAN: I have listened to the address of the gentleman from Texas [Mr. SAYERS] and I rise to reply to him. I regret that my time is limited and that I can not make as full and complete a discussion of this matter as I desire and as its importance

requires.

I feel sure that if the House fully understood this appropriation,

I feel sure that if the House fully understood this appropriation, the purposes for which it is used, the evils which accrue from it, and the injury which it brings to the people and to the Government, the proposition to strike it out would prevail.

This bill proposes to appropriate \$50,000 to pay for information and the detection of violations of internal-revenue laws. We ask this to be stricken out and the House to make no appropriation for this purpose. We claim that there is no necessity for it. There are 963 deputy collectors in the United States, who are paid salaries and especially commissioned to protect and prevent violations of the law. These are supplemented in every district and county, when needed, by commissioners and marshals. The present law, without this appropriation, provides ample officers and means for preventing its violations. The law also furnishes the Commissioner of Internal Revenue with 20 special agents who are paid salaries to see that the law is not infringed. Now, this is sufficient. sufficient.

we have already said, in passing through this House the bill abolishing the fee system, that too many frivolous and unjust prosecutions are inaugurated; that the people are too much harassed by the present officials. The abolition of this system was a great reform and will produce great good. I am proud of my work and my efforts in its behalf. Now, let us carry the reform further and destroy that infamous system of secret spies, informers, and detectives who have done so much to bring the administration of justice into discepute. It is an outrage that Congress should apjustice into disrepute. It is an outrage that Congress should appropriate \$50,000 for the creation of such a despicable class. The detections and prosecutions which result from this fund are so frivolous and so unjust that they are such as deputy collectors, commissioners, and marshals will take no notice of. The State courts have charge of the punishment of far more important crimes than the violations of internal-revenue laws; yet not a State in the Union has adopted this despicable system of paying money to witnesses for information. There is not a State in the Union that would tolerate it for a moment. If a private individual should agree to furnish money for evidence as to a crime he would be scorned by every person and convicted of bribery of witnesses in court. Yet here is the United States Government proposing to furnish next year \$50,000 to pay for information in the prosecution of its own citizens. It is a standing offer of reward to every person in the country. It is a standing encouragement to every sneaking, vile, miserable wretch to prowl around and try to get his neighbors in trouble on false and frivolous charges. It creates the class of professional spies and witnesses charges. It creates the class of professional spies and witnesses who have become a stench in the nostrils of the people. Language is not strong enough for me to express my execration of a person is not strong enough for me to express my execration of a person who will visit a neighbor's house, partake of his hospitality, ingratiate himself into his confidence, all for the purpose of discovering some petty violation of the law, that he may report him and obtain the reward paid the informers. This Government should scorn to lend aid to such a wretch. He is not worthy of belief.

Many an innocent man has been convicted upon such suborned and perjured testimony. Such a policy will never have my support. They simply report such cases as reputable officers will not take notice of.

take notice of.

A large part of the frivolous suits and great expenses of the Federal courts come from the existence of this detestable class, whose creation arises from the fee system and this fund. We should destroy both. They have only brought disrepute and expense upon the Government.

Only those who live in communities where the informer and the

spy carry on their nefarious business can form a conception of how untrustworthy and vile they are. Only these can know the state of unrest and apprehension which they excite; how for malice and greed they direct the strong arm of the Government

manice and greed they direct the strong arm of the Government against innocent citizens.

This denunciation of spies and informers does not emanate solely from me or other gentlemen who represent districts in which they operate, but they are denounced by all the judges whose courts they load down with frivolous and unjust suits. The Attorney-General points to the abuses and evils which come from them. The gentleman from Texas endeavored to prove that the appro-

priation was necessary and that the Government received benefit from it, by reading a communication from the Commissioner of Internal Revenue, showing the number of seizures made last year. Internal Revenue, showing the number of seizures made last year. That report, like his annual report, is misleading. It endeavors to credit this fund and his revenue agents with all the work done by the collectors and deputy collectors. He fails to show, as he should do, what seizures and what violations were made through the agencies furnished by this fund. If he will do this I feel sure it will present that the seizures which were unjust and were released mostly came from those employed under this fund. It will, no doubt, present that the unjust prosecutions, which were not sustained in court, came from those who operated under this fund. Take the report of the Commissioner upon this fund and trund. Take the report of the Commissioner upon this rund and it exhibits a state of facts which should not be permitted. He says that last year, from those operating under this fund, \$340,905.26 worth of property was seized, yet the Department only received last year from all sources, in compromise settlements and judgments, \$71,359.83. Last year the revenue agents using this fund were paid and cost the Government \$80,019.01, which, added to the \$50,000, made a cost of \$130,019.01 to the Government. Over half of the amount received in the Treasury must have come from the work of deputy collectors and other officers. So, by the most favorable view that can be taken of it, those who used the fund favorable view that can be taken of it, those who used the fund cost the Government over \$100,000 more last year than the Government received from their work. This can not be disputed. But this does not include the great cost paid by the Government for the petty prosecutions in the Federal courts, inspired by the rewards and by those employed under this fund. If these were included I believe the appropriation of this sum results in costing the Government a half a million of dollars a year. If this appropriation is defeated it will save, I believe, that amount of money to the taxpayers of this country. In this time of poverty and distress we can only justify ourselves by saving this amount of money.

But what else do these figures indicate? They snow that last year, upon the evidence of informers and spies paid out of this fund, property of the value of over \$300,000 was improperly seized, and which the Government had to release.

Now, this indicates a condition of affairs which should not be

tolerated for a moment. The owners of this property were unjustly harassed, had their business suspended and themselves subjected to all manner of annoyance and expense. It shows that over \$115,000 of unjust assessments were made against distillers which they had the trouble and the expense of relieving themselves from. Much of the money that was paid to the

Department was paid by persons who knew that it was unjust and not due, but they only paid it in order to have peace and be released from the worry and annoyance of attending to the matter. Much of it was money that the Government ought not to have received and ought now to return to the parties. I am aware in my district of amounts paid by parties who knew that it was unjust, and only made offers of compromise to purchase peace and

to be rid of the expense and worry of defense in court.

The report just read by the gentleman from Texas shows that last year 167 registered distilleries were seized by those operating under this fund. In other words, 167 men who were complying with the law, conducting a business for which they had paid a license, were seized, their work suspended and themselves subjected to great expense and loss upon some charges preferred by spies and informers unworthy of credence and animated by greed and malice. Now, these conditions should cease. They are unworthy of a great Government. They bespeak a system of oppression and of injustice which should be obliterated.

The tyranny of a revenue officer, supplemented by a horde of spies and informers, is more intolerable than that of despots.

The gentleman from Texas has seen proper to allude to my district as one in which there are many infractions of the law. I deny this. The facts and the records will not sustain the charge. There is not a people more peaceful, law abiding, patriotic, and intelligent than those which I have the honor to represent upon this floor. It is a constituency of which anyone should be proud. this floor. It is a constituency of which anyone should be proud. A truer, braver, more loyal, and peaceful people can not be found. No people have suffered with greater forbearance the hardships and harassments to which they have been subjected under the internal-revenue system. I myself have at times been amazed at the patience and forbearance exhibited by them. They have been the victims of the pernicious fee system and have tasted, in all of its bitterness, the evil fruits born of this appropriation. The good people there of all political parties will support me and The good people there of all political parties will support me and sustain me in my efforts to destroy the pernicious fee system and to defeat this appropriation which has been to them a source of oppression and of injustice.

The gentleman can realize the extent to which this fund has

oppressed and outraged my people, when the very statement he has read shows that last year 45 registered distilleries were seized in my district. That number of lawful distilleries, operating according to law, were for some time suspended and their owners

according to law, were for some time suspended and their owners subjected to great losses and expense. I am unable to recall one where the seizure was sustained and the party convicted.

The persons operating under this appropriation have not only oppressed and harassed my people, but have sought to remove all officers in the service who administered the law with justice and fairness and refused to make themselves odious to the people or to use their positions otherwise than for the good of the Govern-

ment and of the people.

I abominate this fund and the agencies it employs for the oppression of the people. It is equally odious or objectionable whether administered by Republicans or Democrats.

I feel safe in leaving the administration of the law to those deputy collectors and officers who are paid salaries and selected for the purpose

As long as I have a seat upon this floor I shall fight this appropriation and seek to destroy the vicious system of spies, informers, and detectives which it nourishes to the disgrace of the Government and to the oppression of the people.

Uniform Law on the Subject of Bankruptey.

REMARKS FRANK W MONDELL, HON

OF WYOMING.

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, May 12, 1896,

On the bill (H. R. 8110) to establish a uniform law on the subject of bank-ruptcies throughout the United States.

Mr. MONDELL said:

Mr. SPEAKER: It seems to me that the gentlemen who have opposed this measure have misconceived its purposes and wrongfully judged the consequences which will follow from its enact-NECESSARY TO STRENGTHEN CREDIT.

If all the laws for the collection of debts were to be repealed, the result would be that debtors would experience the greatest difficulty in securing credit. It follows that the passage of any law which will tend to give additional security to the creditor for moneys loaned or goods sold will strengthen credit and enable

those who wish to obtain it to do so upon more favorable terms

Men, firms, and corporations who have sufficient capital to pay cash for money borrowed, goods received, or labor employed are very rare indeed: it is, therefore, of the utmost importance that we increase credit for the benefit of these people if we can.

Those who are doing business, promoting enterprises, and employing labor in my State are honest and expect to pay their debts. They need in their various avocations to obtain credit, and they want to do so, I am sure, upon the most favorable terms possible. They do not want in the event of misfortune to favor some of their creditors and swindle the balance of them of equal rights. In all cases in which they obtain credit upon equal terms they are willing, I know, to treat such creditors exactly alike in the event of misfortume. They have a right under the Constitution and as provided by this bill to secure a discharge if financial mis-

and as provided by this bill to secure a discharge if financial misfortune shall come to them, and they want that right to be available.

This measure does not give any new remedies to creditors. If
creditors avail themselves of the right to proceed against their
debtors, as under the provisions of this bill, they must do so upon
obligations theretofore incurred, and which exist without any reference whatever to this measure. The debtor will be more favorably situated when proceeded against by his creditors collectively,
as provided by this measure, than if proceeded against individually, as under existing laws. It is therefore apparent that both
debtors and creditors will be benefited by the passage of this bill.

THE EXEMPTION LAWS.

The objections urged by the opponents of this bill are untenable, and many of them are frivolous in the extreme.

One gentleman objects to the bill because it does not interfere with the State exemption laws. No doubt if it provided a uniform exemption, he would object because it interfered with the exemption laws of the several States.

The various State legislatures in their wisdom have provided different exemptions; it was but natural that they should do so. The needs for liberal exemption are greater in the newly settled States than in those which have been settled for a long time. If we were to provide a law for a uniform exemption it would not really be uniform, because the same amount of money will purchase a larger amount of supplies or furniture or any other article which is usually exempted in the East or Northeast than it will in the Western or Southwestern States.

If the bill were to provide a uniform property exemption it would still be imperfect, because different varieties of articles are

needed as exemptions in the Northern from those in the Southern States; for example, fur clothes are needed in some of the cold climates, while palm-leaf fans are the greatest necessity in the warmer climate

The bill has therefore wisely left the subject of exemptions to be passed upon from time to time and to be adjusted by the legislatures of the various States.

MEETING PLACES OF UNITED STATES COURTS

Objection has been made to the passage of the bill because many

Objection has been made to the passage of the bill because many people live at a considerable distance from the meeting places of the United States courts. This is a pertinent objection, but not so great a one as the opponents would have it appear. The Constitution provides that Congress, and Congress alone, can pass a bankruptcy law. It follows that the Federal courts, and they alone, can enforce such a law. We therefore must suffer the inconveniences incident to many people living at distances from the meeting places of Federal courts.

In order to overcome these inconveniences it has been provided by the bill that creditors of the bankruptcy estates shall hold their

by the bill that creditors of the bankruptcy estates shall hold their meetings at the county seat of the county in which the bankrupt resides, unless that place would be manifestly inconvenient as a

Assistant judicial officers, called referees, may be appointed in every county. They have a large jurisdiction in the administration of bankrupt estates.

As the result of these provisions most of the business of the bankrupt estates will be conducted at the places where the bankrupts reside irrespective of the meeting places of the courts.

As only about 1 in 100 of all the people engaged in conducting business and premoting enterprises fails per annum for the whole country, the inconvenience felt by the people at large who live away from the meeting places of the courts will be infinitesimally

OLD BANKRUPTCY LAWS.

There has been a great deal of time consumed by our opponents in the abuse of the old bankruptcy laws. Such time, it seems to me, has been wholly lost, as we are not seeking in any sense to remact any one of them. They were defective not only in the many respects referred to by our opponents, but in others as well, and if the question before the House were one of reenacting them, we would all be opposed to doing so

The greatest objection to the last bankruptcy law was that the fees were excessive. Under the present bill fees are very reason-

A very pertinent objection to the last law was the delay in its administration. Very careful provision has been made in the present law to secure prompt administrations. Doubtless these delays under the old law grew out of the fact that bankruptcy officers were interested in securing them. Under the present proposed law all of the bankruptcy officers are directly interested in a financial way in securing the prompt administration of the

The inference to be drawn from all of this needless and irrelevant talk about the old bankruptcy law is that because it was an imperfect measure it is impossible for the present Congress to formulate an approximately perfect law. In other words, the reasoning is that a fire-proof building can not be erected on the site of a former frame shanty because the latter was burned down,

MISTAKEN IMPRESSION AS TO COERCING DEBT A mistaken impression prevails among some of the opponents to the effect that the real purpose of this bill is to enable the wholesale dealers in large cities to visit their customers in country wholesale dealers in large cities to visit their customers in country places and, by shaking this bankruptcy law over their heads, coerce them into the payment or securing of the claims of such wholesalers. This impression is not justified. This bill would not in any sense answer that purpose. The creditor who wishes to coerce his debtor can do so very much more effectively under the present laws than he would be able to do under the proposed. law. The position of the debtor would be very much less pre-carious under the proposed law than it is under the present State

Our opponents have a misconception of the conditions existing between the wholesale dealers and their customers, the retailers. The wholesale dealer does not want his customer to fail. It costs him money to get his customer, and he is therefore desirous that his customer should continue in business, and to buy goods. Under present laws debtors and creditors can not confer together for their mutual benefit, because the one might take advantage of the other. But if this bill should be passed, the conditions will be different, and they may confer fully upon all matters relating to the giving and receiving of credit, and the result must be the enlargement of trade and commerce, the reduction of profits, and the accruing of great benefits not only to parties to transactions on credit but to the consumers of articles of merchandise of all

A very few large wholesale houses are now able by the aid of A very few large wholesale houses are now able by the aid of their vast legal and collecting machinery to coerce their debtors and collect their claims in full, while other creditors of equal rights get little or nothing. These few large houses are the most earnest and persistent opponents of the passage of this bill.

THIS BILL A COMPREHENSIVE MEASURE. The members who oppose the passage of this measure either do not know or prefer to forget that it contains a perfectly clear and comprehensive system of voluntary bankruptcy as well as a perfectly clear and comprehensive system of involuntary bankruptcy. They allege that the passage of the bill will be detrimental to the rights of debtors. This allegation is made without any justification or reason, and directly in the face of facts showing the con-

This bill is not intended to and does not contain any provisions by which business will be begun or conducted, or pursuant to which enterprises will be conceived or inaugurated. It will not,

which enterprises will be conceived or inaugurated. It will not, therefore, in any way interfere with or be a factor in the affairs of honest solvent people in their dealings with each other. This bill will neither pay nor increase the liabilities of debtors; but in the event they act dishonestly, or in the event they become insolvent and are unable to protect their property from an unequal distribution or to meet matured obligations after protracted defaults, their estates may, by due process of law, be distributed to the creditors who have claims against them according to the rules of equity. of equity.

of equity.

Three classes of debtors who will be affected in a material way by a bankruptcy bill:

First. The dishonest debtors. The members of that class ought to fight against the passage of this bill with all of their strength, because it will well-nigh put a stop to their nefarious practices.

Second. The class of debtors who are not now enjoying any credit, but who have large obligations and are greatly interested in the passage of a bankruptcy law under which they may secure a discharge. It is but reasonable that they should be indifferent as to whether it shall be complete and perfect in character, or whether it shall be an incomplete voluntary bill enacted only for a limited period.

for a limited period.

The third class of debtors is composed of those who are now The third class of debtors is composed of those who are now enjoying credit, which is a part of their capital and is necessary to them in order to enable them to proceed with their present under-takings. The passage of our bill will aid this class of debtors by strengthening credit. The passage of a voluntary bill only would ruin them by driving them into liquidation. With a voluntary law upon the statute books any debtor who saw fit to do so could deliberately prepare for and go into bank-ruptcy and swindle his creditors. In the face of such a law creditors certainly would not be foolish enough to sell goods and loan money to persons without ample security. They would extend credit generally and upon easy terms under this complete bill if passed, because it is comprehensive of the rights of both debtors and creditors

The trouble, therefore, about a purely voluntary law would be that while it would benefit the dishonest debtor and the insolvent who is not now enjoying credit, it would ruin the class of debtors who must of necessity rely, in part at least, upon credit in order to enable them to avoid disaster. Why should we destroy one class to benefit another when it is not necessary to do so?

The bill we advocate would not only obstruct the affairs of the dishonest debtor, but would redound to the best interests of the other two classes of debtors as well as to honest creditors.

EFFECT OF THE PASSAGE OF A BANKRUPT LAW.

Some of our opponents in the House appear to and no doubt do Some of our opponents in the House appear to and no doubt do believe that debtors who are struggling with a load of debt will be driven to the wall remorselessly by the passage of this bill. Such can not be the result. It will lighten the burden of every man who is debt ridden. It will relieve the pressure upon every debtor who has become a subject of suspicion on the part of his creditors, because they, in the event trouble comes, will receive their pro rata share of the estate and not be compelled to com-

ence proceedings or get nothing. The fear that the passage of this bill will strike down confidence and paralyze business enterprises is not justified in reason or by precedence. Such was not the result of the passage of any one of our prior bankruptcy laws, and has not been the result in any one of the great countries which have bankruptcy laws upon their

Our opponents should not forget that England and other impor-tant countries have all had bankruptcy laws for hundreds of years upon their statute books, and that instead of being repealed they have been from time to time amended. It appears from the report of our Judiciary Committee that China and this country and pos-sibly Japan are the only nations of any considerable importance which do not have bankruptcy laws.

DEMAND FOR PASSAGE OF A GOOD LAW.

It has been alleged by those of our opponents who have not been informed upon this subject that this bill is being pushed as an additional means for the creditor to collect his debts. Such is not the case. It is being, and has been for many years, advocated by men of all classes and from all sections of the country who begins the country who are the country who begins the country who are the country who begins the country who are t lieve that the rights guaranteed by the Constitution should be available to the people in a perfectly practicable and straightfor-

There is a very general demand for a fair and uniform law that will enable honest insolvent debtors to secure a discharge, protect creditors from incapacity and fraud on the part of their debtors, and from imposition and unfair dealing on the part of their co-

The few creditors who are now able to get the lion's share of the assets of the unfortunates do not want any legislation on this subject. They say, "Let well enough alone." The debtors of these big houses can not secure a discharge except upon such selfish terms as they may impose, and their co-creditors can not secure any consideration until the claims of the large creditors have been

any consideration until the claims of the large creditors have been settled in full. No wonder they do not want a law which secures to honest insolvent debtors a discharge, not as a matter of charity, but as a matter of right, and secures to all creditors of the same class the enforcement of their equitable rights.

Mr. Speaker, I am glad to state from my knowledge of and acquaintance with creditors—that is, those who sell goods and loan money—that they do not want any hold on their debtors other than such as is offered by a fair law. They want to feel that it is just as safe to give credit to a man in my State as in New York, Texas, or California: they want the assurance that if their customer does or California; they want the assurance that if their customer does fail the assets will not be consumed by a contest between creditors in their individual capacities, but that his estate will be economically administered and ratably divided among all of his

THE PASSAGE OF THIS BILL WOULD DECREASE FAILURES

The dangers incident to commercial crises which occasionally take place in the country would be very much lessened by the passage of this bill, because debtors would not be permitted to commit frauds as against creditors by secreting or running away with property, and creditors would not be permitted to begin compulsory process against mutual debtors. In other words, under this

law a financial storm may come up without any very serious damage, whereas without it the damage may be very great.

The financial calamities of our people within the last few years have been very great, and as a result commercial and industrial failures are on the increase. The number was very much larger

for the first three months of this year than for the corresponding period for past years. If you will pass this bill the distrust which has caused these failures will disappear, since the securing of undue advantages as under present State laws will be removed, and as a result thousands of good men will be able to tide over for a short time, when we hope better times will be ours.

The deserving debtor who has the confidence of his creditors has no reason to fear them if they can be prevented from proceeding individually against him as under present laws.

One would think, to hear some of the reckless random talk of some of our opponents on this floor, that under present conditions men do not fail; that it is not now a common occurrence for stocks of goods to be sold at sacrifice sales, or that under present laws

of goods to be sold at sacrifice sales, or that under present laws creditors do not sometimes press their debtors to a settlement upon matured obligations. The facts are that all of these misfortunes matured obligations. The facts are that all of these misfortunes are suffered now, and will always be suffered so long as humanity continues as it is. The only question is whether the suffering shall be of the maximum or the minimum degree. Other countries have found that the minimum degree is experienced by the enactment of honest bankruptcy laws, and I respectfully submit that their example is worthy of our emulation.

The bill we advocate is not in the interests of shyster lawyers;

not in aid of fee fiends; not a source of prospective joy to business bastards of any kind; but an eminently straightforward measure, which will benefit everyone and not harm any honest man who comes within the sphere of its operations, whether he be a poor or rich debtor or a poor or rich creditor.

A SUMMARY OF RESULTS ANTICIPATED.

For my own part I know that fair play is better than sharp practice, and I know, too, that I represent a constituency who have

an abiding faith in the same principle.

It is confidently anticipated that the passage of this bill, as contemplated by the Constitution, will redound to the best interests of the honest people of the whole country in many ways, and among them the following:

1. Make it easier for honest men and harder for dishonest men

than under present laws to conduct business and promote enter-

2. Enable honest insolvent debtors to secure discharges and begin financial life anew.

 Insure to every creditor of a dishonest or insolvent debtor who
has committed an act of bankruptcy the collection of his equitable part in such debtor's estate.

4. Prevent debtors and creditors from swindling or taking advantage of each other

5. Save millions of dollars now annually spent in useless selfish struggles between creditors by enforcing the rules of equity between them.

6. Increase the dividends received by creditors from insolvent debtors who have failed.

Reduce the number of business and industrial failures.
 Enable honest men to enjoy their constitutional rights.
 Subject dishonest men to a merited punishment for their

10. Draw a line between the honest and dishonest men engaged in commercial pursuits by helping the former and obstructing the

11. Reduce the expenses and trouble of creditors in obtaining amounts due from their unfortunate debtors who have become

12. Preventembarrassed debtors from being coerced into needless assignments or wrongful acts by creditors.

13. Make it possible for unfortunate honest debtors to secure a

just settlement quickly and economically.

14. Enable debtors and their creditors to confer together for

their joint advantage without the fear that one will take advantage

15. Make it to the greatest possible advantage for debtors to be honest and creditors to be just. 16. Reduce the price of commodities and interest on money.

17. Prevent the giving and receiving of preferences.18. Stop the giving of fraudulent mortgages and judgments by

19. Permit creditors of equal rights to enjoy equal remedies. 20. Secure a return of prosperous times to the country. For the above and many other reasons I am glad not only to support the pending bill, but to bespeak for it the support of the other members of the House.

A SUMMARY OF THE TORREY BANKRUPTCY BILL (H. R. 8110).

A summary in five words is as follows: "A square deal all around."

A summary in a paragraph is as follows: A measure for the discharge of honest insolvents, the diminution of fraud, the prompt and economical administration of bankruptcy estates, the maintenance of integrity in transactions on credit, and the promotion of the industries and commerce.

A summary in brief is as follows:

A voluntary bankrupt is one who petitions to be and is adjudged such; an involuntary bankrupt is one who has been adjudged such in a suit brought by his creditors. The rights and duties of vol-

in a suit brought by his creditors. The rights and duties of voluntary and involuntary bankrupts and their creditors are identical.

Farmers and wage earners may go voluntarily into bankruptcy, but their creditors can not bring suits in bankruptcy against them.

Anyone except corporations, irrespective of whether they owe more or less than \$1,000, may become a voluntary bankrupt.

Persons, firms, and corporations (except farmers and wage earners) who owe \$1,000 or more, and have committed an act of bankruptcy according to the evidence in a fair and impartial trial, before a jury if desired, may be adjudged bankrupts upon the petition of creditors.

An act of bankruptcy by a debtor consists of conduct or acts calculated to defraud the creditors or insolvency followed by a protracted default of payments due or a failure to prevent an inequitable distribution of the estate.

Creditors need not proceed against a debtor who has committed

an act of bankruptcy any more than they need sue every debtor

an act of bankruptcy any more than they need sue every debtor who is in default in payment.

A petition can be filed against a debtor who has committed an act of bankruptcy by three creditors who, together, have unsecured claims for or over \$500. After the suit is begun the defendant will be served as in ordinary suits, and will have "his day in court" and a trial by jury if he desires.

If a judgment in a bankruptcy suit is for the plaintiffs, the defendant will be adjudged a bankrupt. In that event he will retain the exemptions allowed by the laws of the State in which he lives, and, if an honest man, will be released from his debts, and thereby given an opportunity to begin life anew, and be relieved from the demands of his creditors to make good his former misfortunes. If the judgment is for the defendant, the petition will be dismissed at the costs of plaintiffs, as in other suits.

The property of the debtor will remain in his possession and under his control until after adjudication that he is a bankrupt, or the dismissal of the petition, unless the creditors shall give bond

or the dismissal of the petition, unless the creditors shall give bond and secure its attachment; in that event the debtor may retain

and secure its attachment; in that event the debtor may retain possession of his property upon giving a forthcoming bond.

The United States district courts will have jurisdiction of the admiristration of bankruptcy estates. They can not be administered in the State courts, because Congress has no power to compel State courts to administer national laws.

State courts will retain their jurisdiction to hear and determine controversies between the trustee and adverse claimants concerning the state of the stat

ing property rights.

Controversies may be arbitrated or compromised under the direction of the court.

The offices of referee and trustee are the only ones created by

The referee is an assistant judge, and will be appointed in such numbers and in such localities as will be best calculated to secure

numbers and in such localities as will be best calculated to secure a prompt administration of the act and serve the convenience of all parties having bankruptcy business.

The trustee will receive the title of the bankrupt to his property and administer the estate. He will be elected by the creditors in each case. He may recover all property which has been hidden away or fraudulently conveyed.

The clerk will receive a \$10 filing fee in each case and no further compensation.

compensation.

The referee will receive 1 per cent upon the net amount paid in dividends to creditors from each estate administered before him,

or one-half of 1 per cent from estates in which there is a composi-tion, and a filing fee in each case of \$10.

The trustee will receive 5 per cent on the first \$5,000 paid in dividends to creditors, 2 per cent on the second like amount, and 1 per cent on additional amounts, and in each case a filing fee of \$5.

The compensation of the referees and trustees will not be paid and the centre have been administered and the records returned

until the estates have been administered and the records returned

Making the amount of the fees received and the time of pay

ment depend upon the prompt and economical performance of their duties by the referee and trustee will result in the quick and economical administration of bankrupt estates.

The fees of the clerk, referee, and trustee need not be paid by a proposed voluntary bankrupt who files with his petition an affi-daylt that he is without and can not obtain the money with which

between honest debtors and their creditors, under very careful restrictions, after a voluntary or involuntary petition has been filed, and either before or after the defendant has been adjudged a bankrupt.

Compromises which have been fraudulently obtained may be set aside upon application made within six months after they were granted.

granted.

A petition for a discharge may be filed by a bankrupt, not a corporation, after two and within the next four months after the adjudication or conditionally within the next six months, but not afterwards; it must be filed in the court where the proceedings are pending. The discharge will be granted unless the bankrupt has been convicted of having committed some one of the acts forbidden by the bill—giving a preference which has not been surrendered, knowingly made a materially false statement in writing for the purpose of obtaining credit, made a fraudulent transfer of his property, or fraudulently destroyed or neglected to keep books or records showing his financial condition.

books or records showing his financial condition.

Discharges which have been fraudulently obtained may be set aside upon application made within two years after they were

granted.

Fraudulent bankrupts, embezzling officers, and creditors who have proven false claims may be punished by imprisonment.

Notices will be sent, at trifling cost, by the referee to all creditors of each step in the proceedings, including the hearing on the application of the bankrupt for a discharge.

Creditors may be heard at all times in support of or in opposition to any proposed step in the administration of the estate.

Claims may be proven by the simple oath of the creditor, and will be allowed upon being filed in person or sent by mail, without the payment of any filing fee; if it is thought that an allowed claim is fraudulent, it may be suspended and investigated.

Preferences are forbidden, and those which have been given may be set aside if proceedings intervene within four months after they have been given.

they have been given.
Valid liens will be upheld; fraudulent ones will be set aside.
Present legitimate business methods will not be interfered with by the bill. It is not a measure relating to transactions between honest solvent persons, firms, or corporations, but for the relief of honest insolvent debtors, the prevention of dishonesty, and the administration of the estates of insolvent and dishonest debtors more economically and equitably than it is possible to do under

The bill contains the provisions, in addition to the foregoing, necessary to make it a complete, equitable bankruptcy code.

Bankruptey.

SPEECH OF

HON. JAMES J. WALSH.

OF NEW YORK. IN THE HOUSE OF REPRESENTATIVES,

Friday, May 1, 1896,

On the bill (H. R. 8110) to establish a uniform law on the subject of bankrupt-cies throughout the United States.

Mr. WALSH said:

Mr. WALSH said:
Mr. SPEAKER: There is no question pending before Congress that should be approached with more care and deliberation than that which proposes a national bankruptcy law. One who does not appreciate the demand for such a law must indeed be ignorant of the conditions under which we have been living for the past few years and must be indifferent to one of the strongest prerequisites to a restoration of commercial confidence, which, in my opinion, is the greatest necessity of the hour.

Many have complained of present financial conditions, and all concede that a change would be beneficial—yes, necessary. They have differed only on the question as to the direction which that change should take.

Some have complained of present and past tariff laws and,

proposed voluntary bankrupt who files with his petition an affidavit that he is without and can not obtain the money with which to pay such fees.

The expenses of administering the estate will not be paid until reported in detail under oath and allowed by the court.

The debts which have priority are expenses of caring for the property, filing fees, costs, wages due workmen, clerks, or servants which have been earned within three months, not exceeding \$300 to each one, and debts entitled to priority by State or national laws.

Compromises, involving more time in which to pay or a reduction of the amount to be paid, may be readily and cheaply effected

condition of suspense, the creation of which can only be justified

by great public necessity.

Certainty is the desideratum of the business community to-day.

Certainty is the desideratum of the business community to-day.

Certainty in the basis of operation begets confidence and boldness in the operation itself and definiteness in results.

Now, while it is generally admitted on the floor that a national bankruptcy law is desirable, we are divided upon the question as to whether the bill should contain involuntary as well as voluntary features. The bill presented by the Committee on the Judiciary features. The bill presented by the Committee on the Judiciary presents both features. Voluntary bankruptcy need not be discussed. There is a general agreement that this feature of the bill is a good one. Opposition here seems to be confined to the involuntary features. Now, before discussing the measure let me say that I would more cheerfully support this bill if the acts of bankruptcy mentioned in its second section were confined to acts of actual fraud, but I am moved to vote for and support this bill as the invite the continuous forms of the continuous forms. it is with the amendment of the gentleman from Pennsylvania [Mr. Mahon] because the acts mentioned in that section, which are not acts of actual frauds per se, very often amount to the same thing, and the method of treating them under the laws of the States, which I have examined, is more drastic than anything in this bill.

Now let us see what are the acts of bankruptcy. The second section reads as follows:

Now let us see what are the acts of bankruptcy. The second section reads as follows:

(a) Acts of bankruptcy by a person shall consist of his having (1) concealed himself, departed or remained away from his place of business, residence, or domicile, with intent to avoid the service of civil process and to defeat his creditors, and shall not have returned at least forty-eight hours before the filing of a petition in bankruptcy and before the rights of creditors shall have been impaired, altered, or interfered with; (2) failed for thirty days and until a petition is filed, while insolvent, to secure the release of any property levied upon under process of law for \$500 or over, or if such property is to be sold within such time under process, then until three days before the time fixed for such sale; (3) made a transfer of any of his property with intent to defeat his creditors and has not regained the ownership and possession of such property before the rights of creditors have been altered, impaired, or changed by reason of such transfer and at least ten days before the commencement of a proceeding in bankruptcy; (4) made an assignment for the benefit of his creditors or filed in court a written statement admitting his inability to pay his debts; (5) made, while insolvent, a transfer of any of his property or suffered any of it to be taken or levied upon by process of law or otherwise for the purpose of giving a preference, and has not regained the ownership of such property or suffered any of his property or sold has not such transfer, taking, or levy, and at least ten days before the commencement of a proceeding in bankruptcy; (6) procured or suffered a judgment to be entered against himself with intent to defeat his creditors and suffered same to remain unpaid until ten days before the filing of a provided that a payment

It will be seen at a glance that some of these acts are acts of actual fraud, and that under the State laws the punishment is very severe for such acts, and for some others an attachment will ssue, which, in the first instance, embarrasses if not ruins a man

very severe for such acts, and for some others an attachment will issue, which, in the first instance, embarrasses if not ruins a man long before he has been heard on the merits of his case.

Under section 19 of this act any persons against whom any of the acts mentioned in section 2 is alleged is entitled to a trial by jury on that issue. The language of that section is as follows:

Sec. 19.—JURY TRIALS.—(a) A person against whom an involuntary petition has been filed shall be entitled to have a jury trial, in respect to any act of bankruptcy alleged in such petition to have been committed, upon filing written application therefor before the expiration of the time within which an answer may be filed. If such application is not filed within such time a trial by jury shall be deemed to have been waived.

(b) If a jury is not in attendance upon the court one may be specially summoned for the trial, or the case may be postponed, or, if the case is pending in one of the district courts within the jurisdiction of a circuit court of the United States, it may be certified for trial to the circuit court sitting at the same place, or by consent of parties when sitting at any other place in the same district, if such circuit court has or is to have a jury first in attendance.

(c) The right to submit matters in controversy, or an alleged offense under this act, to a jury shall be determined and enjoyed, except as provided by this act, according to the United States laws now in force or such as may be hereafter enacted in relation to trials by jury.

In attachment proceedings, as well as in cases where order of arrest will issue, we usually hang the man and try him afterwards; but in this proceeding we give him a chance to prove his innocence before a jury of his peers before subjecting him to any of the rigors of the law.

But the mightiest objection to the involuntary feature is that it is taken against the will of the debtor. Carefully examined, this objection loses much of its force. Consider what unbusinesslike, if n

The time to stay the hand of the petitioner in the involuntary proceeding is at the time you are making the contract which binds

you to him.

Make no contract you can not carry out. But the answer is, misfortunes will come, and sometimes come unforeseen. This is sadly true; but these are exceptions to the general rule, and the are rare and more exceptional where the true merchant will take advantage of the honest unfortunate. Experience is the other way. Find me the merchant who is the oppressor and I will find you the man who, sooner or later, will feel most keenly the rigors of this law, because he is unjust and his injustice will be as plain to his creditors as it is oppressive to his debtors. I will not consider this as a bill affecting classes, because all debtors are creditors to some extent and all creditors are debtors. But it has been a matter of some surprise to find the opposition to this bill attributed to the South and West, where the sentiment for the

increase in the volume of our circulating medium seems so strong.

This bill will make buyers careful. The use of paper will not be so great. If it has a tendency it is to increase the demand for be so great. If it has a tendency it is to increase the demand for a greater volume of money. It is not necessary to develop this idea. If this condition of things follows, how the influence of our financial institutions will diminish! How much more closely will they be confined to a legitimate business at reasonable profit. And where credit is demanded with how much more confidence that the state of the can these institutions distribute money where it is most needed now, instead of hoarding it as they are now doing, or if not hoarding it, lending it to their next-door neighbor and watching him

suspiciously while he uses it.

Of course trade has got beyond our friend's idea, who said:

In all wise commerce payments large or small should be over the counter. If you can not pay for a thing do not buy it. If you can not get paid for it do not sell it. So you will have calm days, drowsy nights, all the good business you have now and none of the bad.

That is and would be a happy condition of trade for the buyer and the merchant, but in the United States we are a good ways away from the millennium. But there is a great deal in the thought that the less complex the conditions of trade are the better is the state of trade.

We have thus far considered the involuntary features of this bill from the standpoint, first, that a uniform bankruptcy law is conceded to be a necessity; second, that the involuntary fea-ture is not a hardship on the honest man; third, that such a bill as we have before us will be of benefit to the whole country by restoring confidence and certainty as a basis of operations in trade; fourth, that it is not intended to affect any class or any

section and that all are subject to its provisions.

Let us assume for a moment that there is a creditor class and a debtor class, distinct in themselves, constituting different individuals, and examine the possible harshness of this law on the debtor class, and let us dwell for a moment on the theory of the true merchant as developed by the author of Unto the Last. He

The merchant's function (or manufacturer's, for in the broad sense in which it is here used the word must be understood to include both) is to provide for the nation. It is no more his function to get profit for himself out of that provision than it is a clergyman's function to get his stipend. The stipend is a due and necessary adjunct, but not the object, of his life, if he be a true clergyman, any more than his fee (or honorarium) is the object of life to a true physician. Neither is his fee the object of his life to a true merchant. All three, if true men, have a work to be done even at any cost, or for quite the contrary of fee; the pastor's function being to teach, the physician's to heal, and the merchant's, as I have agaid, to provide. That is to say, he has to understand to their very root the qualities of the thing he deals in, and the means of obtaining or producing it; and he has to apply all his sagacity and energy to producing or obtaining it in perfect state, and distributing it at the cheapest possible price where it is most needed.

And because the production or obtaining of any commodity involves neces-

in perfect state, and distributing it at the cheapest possible price where it is most needed.

And because the production or obtaining of any commodity involves necessarily the agency of many lives and hands, the merchant becomes in the course of his business the master and governor of large masses of men in a more direct though less confessed way than a military officer or pastor; so that on him falls, in great part, the responsibility for the kind of life they lead, and it becomes his duty not only to be always considering how to produce what he sells in the purest and cheapest forms but how to make the various employments involved in the production or transference of it most beneficial to the men employed.

Supposing the captain of a frigate saw it right or were by any chance obliged to place his ownson in the position of a common sailor; as he would then treat his son, he is bound always to treat every one of the men under him. So, also, supposing the master of a manufactory saw it right or were by any chance obliged to place his own son in the position of an ordinary workman; as he would then treat his son he is bound always to treat every one of his men. This is the only effective, true, or practical rule which can be given on this point of political economy.

And as the captain of a ship is bound to be the last man to leave his ship in case of week and to share his last crust with the sailors in case of famine, so the manufacturer, in any commercial crisis or distress, is bound to take the suffering of it with his men, and even to take more of it for himself than he allows his men to feel, as a father would in a famine, shipwreck, or battle sacrifice himself for his son.

All which sounds very strange, the only real strangeness in the matter being, nevertheless, that it should so sound. For all this is true, and that not partially or theoretically, but everlastingly and practically.

The merchant is like every other class, influenced to some degree by his environments. Integrity is his strongest trait, and a reputation for this is invaluable in business. Even the best of them, however, striving toward the ideal, must take into consid-

eration the market in which they buy and sell. And it is to the interest of every merchant to rid his community of the selfish competitor. If he does not he suffers injury to his community as a market for buyers

On this principle the oppressor and the shylock can not endure in a community of reputable merchants, and this is the debtor's

safeguard against oppression.

Merchants as a rule are practical men, men of integrity and experience, with a large knowledge of the world. While they know and pursue as a rule, as far as they are able, ideal practices in trade they must protect themselves, and it is our duty to protect them from that fee of trade, the fraud. Hence assuming him to be the creditor always and himself never the debtor, far treatment of his debtors is, first, his principle, his instinctive act; seconds. ondly, his interest as an individual and as a member of a community that invites trade.

The honest debtor who does his best has little to fear from such creditors, even if misfortunes do come. They may be depended on for consideration, generosity, and equity. The only warning I would utter to the debtor is, Choose your merchant. Do not be afraid to pay a price for your goods. If you deal with an honest man you will get value. If you do not, sooner or later you will be robbed. We read in the Art of England that—

There is no such thing as just or real cheapness. When you obtain anything yourself for half price some body else must always have paid the other half.

Here again, then, the bankrupt is thrown on the generosity of the honorable man rather than subjected to the swift rapacity of the ever-vigilant shyster or the litter vengeance of the first op-pressive mercantile shylock, who may, under present State laws, force him into court and strip him of his property to the exclusion of honorable and considerate creditors who desire to give the

debtor a chance for his business life.

This law, it seems to me, is a good one and will be of benefit to the business of this country. Let me say the business men of my own city, the great city of New York, have suffered much in the last few years. Their losses have been enormous. I do not allude only to the losses of those who have failed but rather to those who have been able to weather the storm. They have, as a rule, been uncomplaining. They have borne their losses like men, and at the same time, while their distress has been constant and conat the same time, while their distress has been constant and continuing, they have kept a fair front to the world. They deserve available and the same at the consideration from us. They ask for this measure. Their request should not be hastily denied or carelessly considered. They do not, as a rule, take the interest in politics I would like to see them take, I suppose because their business duties are exacting. Instead of spasmodic reform movements, they should ally them they are the property of the company of the contraction of the contr Instead of spasmodic reform movements, they should ally themselves with the great parties and take active part in their counsels. It is my opinion that by that means they might prevent some of the evils that they attempt every few years to reform. They can accomplish as little by these spasmodic efforts as I might by going into a dry goods district and holding a five-days' auction of dry goods.

One of the reasons why business men's administrations are failures is because there is no business men's party behind them. It would be doubtful if they could be successful, even backed by

such a force.

Administrations are for the people as a whole, and must have the moral force of a great party behind them in order to approach success—a party which was here yesterday, is here to-day, and will be here to-morrow; a party that can be held responsible for failure in the administration of public offices by its representatives, and is ever present to stand by them in every effort at good administration. administration.

administration.

Will merchants and business men over see the necessity of lending their personality, their intelligence, their energy, to such a party, instead of degrading their communities by attempts to degrade its public officers, and spending their efforts at futile attempts at so-called reforms, which are but the horns on which designing politicians are tossed into power?

Let me say in conclusion that sooner or later the clouds of depression which overhang us must break. The business atmosphere will clear and after the mist has risen the merchant will see old familiar faces and new ones come to meet here him on new conditions.

will clear and after the mist has risen the merchant will see old fa-miliar faces and new ones come to meet him on new conditions. The reunion will be a happy one, I trust. The buyer will buy and the seller will sell in mutual confidence. They will part with an identity of interest and sympathy which becomes their relation. The buyer goes to his home; he becomes the seller; he meets the consumer on new conditions; trade is revived; the honest man has survived his trials, his difficulties; he now reaps the reward. And in years to come he will, if this bill becomes a law, look back upon our work as at least contributing to the confidence so essential to the revival of business. the revival of busines

This revival is my sincere desire, and in my judgment we can make no mistake if, under present conditions, we pass this bill, and trust to the future to bring about conditions where any kind

of bankruptcy bill will be unnecessary.

Proposed Investigation of Bond Sales.

SPEECH

HON. WILKINSON CALL.

OF FLORIDA.

IN THE SENATE OF THE UNITED STATES.

Wednesday, May 6, 1896.

The Senate having under consideration the resolution submitted by Mr. PEFFEM. proposing an investigation of all the material facts and circumstances connected with the sale of United States bonds by the Secretary of the Treasury in the years 1894, 1895, and 1896—

Mr. CALL said:

Mr. President: I desire to leave the city for some days, and I wish to put upon record a few observations upon this subject and

others connected with it.

Mr. President, it is not necessary to support this resolution that there should be any kind of criticism upon the President of the United States or the Secretary of the Treasury. I think that it is their duty as well as their interest to demand that this inquiry should be had and this resolution passed, because there is a widely feeling of discontent in the country. There is an opinion extending that that the has been an appropriate additional country. feeling of discontent in the country. There is an opinion extensively prevalent that there has been an unwise policy pursued in the administration of the Treasury Department in this respect, and whatever may be the fact in regard to it, it is certainly only right that the people of this country should have a full statement on the part of that department of the Government which is specially charged with inquiry into all subjects which are connected with the public good and within the jurisdiction of the Federal Government. So, admitting all that may be said by the Senator from New York to be true, it is unquestionably the duty of this body, representing the public opinion of the people of the United States, to ask that whatever facts exist in the Treasury Department in relation to this subject shall be placed before Congress: ment in relation to this subject shall be placed before Congress; and in doing this there is no implication of reflection, there is no judgment in reference to the wisdom or unwisdom of the policy

and in doing this there is no implication of reflection, there is no judgment in reference to the wisdom or unwisdom of the policy of the Department, but there is simply an answer to a widely prevalent feeling on the part of the people of the United States. There is another reason for this investigation entirely disconnected with the two political parties in this country. And I wish to say that whatever may be said in regard to the two great political parties which have existed in this country, and which have changed from time to time their names and to some extent their principles and policies, political parties are formed upon ideas, upon public policies; and although the ingredient of tradition and prejudice exists in one and the other among the great masses of the people, still there is a profound sentiment of opinion, of judgment, of consideration of public policy, that prevails with the people of this country, even the humblest and most ignorant of them, and it can not be denied that now, with the belief that there is almost universal want, with a feeling that can not be argued away, but exists in the personal wants and sympathies of the people, that in every household there is want, that the means of supplying the comforts and the necessities even of life are scant and hard to be obtained—in the midst of universal dissatisfaction and the belief on the part of a great portion of the people that we are following the public policies of Europe, which have created vast pauper populations—in the presence of a feeling of that kind, how wise is it that in the interests of conservatism, in the interests of truth, there should be light shed upon all public transactions, and that this department of the Government should show itself anxious to respond to the public upon all public transactions, and that this department of the Government should show itself anxious to respond to the public sentiment and provide remedies, if remedies are needed, to arrest this condition of pauperism and want, this stagnation and paralythis condition of pauperism and want, this stagnation and paralysis of business, which exists throughout the country. In the opinion of many persons, it is largely founded in the financial policy of the Government, and that opinion is strengthened by the declarations of the distinguished Secretary of the Treasury during twenty years of public life. If it be an error unquestionably all the light which can be furnished should be thrown upon that subject for the satisfaction of the public mind.

I am one of those, Mr. President, who believe that there is great danger to republican institutions to-day. I am one of those who believe that the existing financial policies of this country are upon the verge of producing revolution, that they are building up a

believe that the existing financial policies of this country are upon the verge of producing revolution, that they are building up a great privileged class of aristocrats in sentiment, in feeling, alien and foreign in interest and in patriotic sympathies to the institutions of this Government. I believe that there is a secret conspiracy to overthrow this Government and establish in its place a government formed upon the systems and bases of old Europe. Why not? Why shall 65,000 people hold in a power of taxation the greater part of the wealth of 70,600,000? If this be false let us have an inquiry and prove that it is so. Do not let us fly from the charge; do not let us cover it up. If the landed estate of the

great public domain of this country has by one policy and another been conveyed to a few individuals and is now the property of the at European bondholders and brokers in national credits, let the fact be exposed. I do not share in the criticism of the Senator from New York of the speech of the Senator from South Dakota

from New York of the speech of the Senator from South Dakota [Mr. Pettigeew]. I think his propositions, apart from the implied reflections on the public officials, were correct and could be sustained, and that they were forcibly and clearly stated.

Mr. President, in my own State of Florida homesteads are denied to the people of that State and the public land has been given over to the control of a few men. If that be not true, come forward and disprove it. Let light be thrown upon these transactions. Examine your Interior Department, your Treasury Department, and all your Departments, and see if by some methods the public property, the power of taxation, burdens impossible to be sustained, have not been created by public functions the property of a few individuals. I state that to be so. I am a Senator of the United States; I have been elected four times by the people of my United States; I have been elected four times by the people of my State in defiance of this policy and these corrupt methods, which policies have disfranchised the whole population of my State. I charge it upon them, and I should prove it if the opportunity were

charge it upon them, and I should prove it if the opportunity were allowed to me.

Shall there be no inquiry? Are we ready to destroy this republican government of ours and smile when these things are said, and when we propose to offer proof, bury these statements in your committees, under the pretense that you are going to have investigation? The people of all parties are true to republican government. They are loyal and true, and they will see that their right to govern is respected.

Mr. President, this resolution derives its significance from the fact that there is a widespread feeling throughout this country.

fact that there is a widespread feeling throughout this country that this condition of fraud and corrupt methods results from public policies. We know that there is a Federal party and always that this condition of fraud and corrupt methods results from public policies. We know that there is a Federal party and always has been in this country; and the richer men grow the more disposed they and their families are to reestablish the aristocracies and despotisms of Europe, with its class privileges and with contempt for the people and their rights. Why was Debs, the chief officer of the workingmen, treated as he was? Why did we march troops, against the protest of the governor of Illinois, into the State of Illinois, against the plain precept of the Constitution, with the governor protesting his ability and his readiness to preserve property and protect the interests of the country? And no word of condemnation of it from that body, the Senate, charged with the duty of protecting the Constitution and the rights and ith the duty of protecting the Constitution and the rights and liberties of the people.

Mr. President, it is time that we should respond to the opinion

of the people. It is time that we should respond to the opinion of the people. It is time that we should answer their inquiries, Why is it that pauperism and poverty increase? Why is it business is stagnant and paralyzed? Why is it that money is not to be had except upon the most extortionate and ruinous rates, and in many portions of the country not to be had at all? What is capital? We hear it spoken of as if it were a sentient being? Capital has its rights. What is capital? It is simply the means of exchange. Labor and invention applied to nature's materials create capital. Wherever there are labor and industry and land and material there is capital. and material there is capital.

and material there is capital.

My learned and honorable friend the Senator from New York [Mr. Hill] speaks of New York as a State of great wealth. Unquestionably it is. The city of New York, like all cities, has drawn from commerce its princely merchants and it appropriates in the ways of trade and exchange the greater part of man's production. It is legitimate, but it is the labor of the people throughout this vast country which pays its toll at its gates, its tribute and custom. So we go on to this proposition. You speak of greenbacks and of the contrary and opposing policy of gold or specie or silver redemption. Who can tell the failures, the disasters, the ruined homes brought about, who can tell the vast fortunes which have been accumulated under that system? I shall tunes which have been accumulated under that system? I shall not discuss its wisdom or its unwisdom, but it will not do to declare that the public credit, resting upon the right of confiscation of the labor of 70,000,000 people, is less powerful than the ingenuity in trade and traffic and brokerage in public credit of a few individuals. It will not do to assume that the power of Government to take everything possessed by laboring, industrious, inventive people is not so great a power—and immensely greater—than the ideas of a few men banded together in commerce and trade. It is public credit alone that makes gold valuable or silver

trade. It is public credit alone that makes gold valuable or silver valuable or paper valuable. It is the public credit of the country.

Mr. President, what better evidence do we want than that? And we hesitate to accept this as a controlling fact. Why did the syndicate want the bonds? Why did they jump from the price they proposed to 17 and 20 cents and more premium on the dollar and offer to pay \$1.17 and \$1.20 for the promise of the people of the United States to pay a dollar at a later period, with annual interest? Why? The proposition is plain in itself. It is because of the high standard of the public credit of the 70,000,000 people of the United States under this free Government, as yet not overturned by mo-

nopoly, not overturned by syndicates and trusts, not overturned by a great aristocracy alien in sympathy and in faith to republican institutions. The faith of the nations, of the aristocrats of Europe themselves, in this Government and in our public policies is such that it makes our public securities the most valuable possion in the world.

That is the plain proposition. There is no denying it, no questioning it; and there are reasons why it should be so. No war, ne serious possibility of war, a country increasing with vast rapidity in numbers, a country in which even unwise policies can not discourage the enterprise and invention of the people, separated by oceans from Europe, with a comparatively limited public debt. Why is it not worth more than all the nations of old Europe, with their millions of armed men, with every farmer and laborer carrying one or two or three soldiers upon his back to maintain? Why is it not true, and who does not know in the presence of these facts, that he who can obtain the pledge of the people of the Pleitod States are affected to give 10 15 200 25 and 200 ple of the United States can afford to give 10, 15, 20, 25, and 30 cents premium for Government bonds, because of all accumulations they are sustained by the greatest possible security that can

the sivey is be given?

Therefore, leaving all party views out of consideration, leaving all questions relating to past policies out of view, it is right that this body should ask to be informed, without implied reflection this body should ask to be informed, who are the facts in regard to upon the President or anyone else, what are the facts in regard to these transactions, that it may be spread abroad and wide throughout the country that the people may see that there is no rightful foundation for criticism or implied censure, or even the censure which prejudice sometimes imparts to men—political malice, personal malice. Those high offices should rest unsullied in the minds

which prejudice sometimes should rest unsulfied in the mineral sonal malice. Those high offices should rest unsulfied in the mineral of the people by even a suspicion of wrongdoing.

But I wish to go a little further in these brief observations; and I will ask leave to publish some statements which I have here without troubling the Senate to read them.

Mr. HILL. Will the Senator please tell us what they are? Will

Mr. CALL. One of them is an extract from a speech which I believe was delivered by Wendell Phillips; another relates to the Smithsonian bequest; another one is a statement of the foreign public debt of the United States and its gradual increase. are other papers, extracts from some of my own speeches relating to public lands and papers from the Interior Department, all of which, however, are matters which it would take some little time to read. If there be no objection, I will insert them without de-taining the Senate to read them.

The political condition of our country demands the consideration not only of persons intrusted with the conduct of public affairs, but also of the public and of all persons interested in the general welfare and the permanence of our institutions. Causes are at work in themselves powerful enough to overthrow long-estabwork in themselves powerful enough to overthrow long-estab-lished governments, unsettle traditional customs, and rearrange the social order. It should be our wise care and foresight that these elements of force, which can not and ought not to be sup-pressed, shall be led along the paths of peaceful and orderly improvement of the conditions of life for the great body of the people. In this way, and this alone, can we avoid that commin-gling of these irresistible social and economic forces which over-come all other forces and lead the people into a revolution which

ging of these fresistine social and economic forces which overcome all other forces and lead the people into a revolution which
will have its way until spent by its own violence.

If we could look beneath the surface and accurately note the
condition of life of the mass of the people, if the statistics of
modern economics had been or could be obtained, we should find
the great evils which create and precede violent civil and social commotions widely prevalent and increasing in activity and force.

The poor in the extreme of poverty increase day by day in our own country, the most favored and prosperous of all lands. The great army of unemployed recruit their numbers constantly from the ranks of wretchedness and despair. Year by year the procession grows of those who descend from the ranks of comfort and sion grows of those who descend from the ranks of comfort and comparative independence into poverty and crime and suicide and is swollen by great numbers who ask for labor as a boon; to whom abundance, comfort, shelter, and protection is a stranger from their birth to their death; to whom suicide is the only refuge from horrors far worse than death; whose misery drives them to seek that "undiscovered country from which no traveler has ever returned"; whose conscience does not make cowards of them; whose misery dulls the fear of something after death, which makes "cowards of usall and gives us pause." The columns of the newspapers continually note the suicide of persons because they can not obtain work to furnish them bread and shelter; who are driven

by despair to end the lives of themselves, their wives, and children.
In the Westminster Review for September, 1895, Mr. Joseph
Burgess, candidate for Parliament, is thus quoted:

It was the question of the unemployed upon which the Independent party would ride into power. The central idea that the grossest scandal of our civilization was, and is, that we had in our midst millions of men, women, and children who were always on the verge of starvation. He believed that the estimate of 1,000,000 unemployed and 3,000,000 people in want

was rather under than above the mark, the constitution would not last if they only had all the poor unemployed people herded together in one place where they would strike the imagination of those who were in better circumstances. He looked forward to a promised land where honor was given to merit, not to wealth; where the gauge of honor was not what a man won for himself but what he had done for others. He invited them to go up and possess this land.

Again Miss Martyn speaks in the same article as follows: Equality of opportunity

She meant not only in sharing the work which created wealth, but equality of opportunity to—

breathe free air; to drink in the sights and sounds of nature; to revel in the creations of art; to participate in the triumphs of science; to become true lords of creation; to develop every faculty—physical, mental, and moral—to the utmost possible extent.

In the Nineteenth Century for December, 1892, Mr. John Burns makes the following statement:

In the Nineteenth Century for December, 1892, Mr. John Burns makes the following statement:

Outside the official pauper class, as Mr. Charles Booth proves, there are hundreds of thousands of people whose standard of life and comfort, from the point of view of food, clothing, and home accommodations, is lower than the pauper or criminal; yet these people will not accept relief, but struggle on in the vain hope of work that never comes.

** ** Having experienced the lot of the workless worker, I believe with Carlyle that a man willing to work and unable to find work is perhaps the suddest sight that fortune's inequality exhibits under the sun.

Pathetic it is to see the laborer, strong in limb, healthy in mind and morale, willing to work, but compelled reluctantly to be numbered with the ever-increasing legions that machinery, invention, competition, and monopoly recruit for idleness. But the first step necessary to a change is his own awakening, and that at lest has come. His eyes are now open, and the Samson of labor has pulled from them the bendage that class rule, spathy, and his own ignorance and drunkenness has placed upon him. He sees that the soil after its crope lies fallow and is fed. The trees, after their fruitful loads have gone, rest and recuperate.

The rich go to other climes to rest or hibernate in slothfulness at home. But he, the worker and producer for them all, is linked to an idleness that worries and fatigues. His limbs are rusted with a vile repose. The opportunity of using them is denied him. The city his hands have helped to make rich and beautiful has nothing to offer him—not even the chance of further work—the little all he modestly craves—and in refusing the community robs itself and leaves him poorer still.

But even more pathetic than the unemployed male worker and industrial nomad is the workless woman or girl in search of work in a city of great distances. Trudging from shop to factory with this hoots, with little food, without the support trades unionism gives to men, lacking th

Commander Booth-Tucker, of the Salvation Army, fresh from his first plunge into the east-side alums of this city, sent the following statement to The World yesterday:

To the Editor of The World:

Reckoning the submerged at only one-tenth of the entire population of the world—and the calculation is admitted to be a moderate one—we have the energous total of 150,000,000 of human beings in a state of chronic want and

If Mr. Booth-Tucker's estimate approaches correctness 000,000 people in want, unemployed, and without the possibility of obtaining work, the victims of starvation, despair and suicide—we stand appalled at the ghastly spectacle and demand a remedy immediately. One hundred and fifty million human beings in the extreme of sorrow, misery, degradation, and death! We demand of ourselves, Are we sharers in this responsibility? Are we responsible for this great holocaust, this hell of despair with which the world is overwhelmed?

with which the world is overwhelmed?

Is this mighty sacrifice of humanity, constantly occurring, while the churches lift their steeples to the heavens and the sacrifice of praise and thanksgiving, of music and song, ascends to the Prince of Peace, who brought the glad tidings of peace and good will among men, is it true that mingled with it are the cries of anguish of 150,000,000 human beings, of Christ's brothers, of God's children, suffering all the tortures of the damned and perishing in want and misery, disease and starvation? Is this the result of our religion and our civilization? If so, there must be something wrong in our systems or our policies or our parties, for surely this is not a necessary condition, although it has accompanied, more or less, the development of our modern systems, and is, in part, the result of density of population. What remedy have we? What can we do or try to do? What remedy have we?

Mr. Chamberlain, a distinguished English statesman, has given this subject intelligent and able consideration. In 1885, in a succession of brilliant speeches, he pointed out, to the great satisfaction of the laboring people of England, that "the common rights of ownership of the land had disappeared. Some of them had been sold; some of them had been given away by people who had no right to dispose of them; some had been obtained by fraud and some acquired by violence." This is a picture of the land tenures and the means by which all the land, all the soil, of the country has passed into the hands of a few men.

Again, Mr. Chamberlain says: "How are we to increase the material resources of the poor? Fer my part," he answered, "I see no hope whatever except in a radical revision of the laws which affect the tenure of the land."

Again, to the same purport: "How to restore the laborer to the

which affect the tenure of the land."

Again, to the same purport: "How to restore the laborer to the land is the great question with which the great mass of the English people are chiefly concerned. We have no accurate statistics on these important subjects, and must therefore rely on those of foreign Governments. It seems as if our public system is to conceal and suppress information on these subjects."

In 1892, in England, 22 unions, with 268,658 members, had in October 19,684 out of work. The figures for 7 years were:

Per	cent.		Per cent.
For 1886	10.1	For 1890	2
For 1887	8.6	For 1891	4.45
For 1888	4.4	For 1892	7.83
For 1889	1.8		

The following table taken from the Nineteenth Century Review, Lord Scott's Publication Company, casts light on this subject. The census of London unemployed in 5 districts in 1886–87 com-

pares as follows with 1892:

	1886-87.	1892.
Dock laborers Laborers (general) Shipwrights Masons Painters Carpenters	55 87 44 87 33 27	25-40 12 44 3 12 4

The condition, then, is a chronic one. The causes are want of work, want of employment—not enough work for all. of this are found to be overwork of some, monopoly of the sources or means of employment, and chiefly by the exclusion of men from the soil, except on terms of exaction too great for him to bear. A profound thinker on these subjects, although an enthusiast, says the economical subjection of the mass of labor to the monopoly of the means of labor that is the source of life has at the bottom servitude in all its forms, of all social misery, mental degradation, and political dependence, and the economical emancipation of the working classes is therefore the great end to which every political movement ought to be subservient.

Mr. Garrison, in a late speech in Boston on immigration, says landlordism, militarism, and militantism are the great causes of evil in modern life. But there are causes which will produce this result if landlordism and militarism do not exist.

Let us look a little further into this question. We are on the eve of a great political struggle. We are talking about protection. We have a tariff which is highly protective. We are speaking of the election of a President upon the policy of a financial change or the preservation of the present financial status of the country. These are questions which are coming before the people for consideration. Is it not well that the facts should be carefully investigated, that we should know why it is that in this country there is widespread suffering and want? Is it not well that we should know to what extent the power of taxation has been conferred upon private individuals, to what extent is it true that the Rothschilds and their associates hold the power to put their hanks into

upon private individuals, to what extent is it true that the Roths-childs and their associates hold the power to put their han is into every laboring man's pocket and deprive his family of the necessaries, the comforts, and the luxuries of life?

Is it true or not? Why should not this body have devoted their time to deliberations upon these questions? How many men there are who have grown enormously rich, possessing hundreds and five hundred millions of dollars! How were such fortunes obtained, by the pursuits of merchandising and trade and commerce, or by the power of taxation conferred by us? If it be not true, let us demonstrate the fact to the people. Let us silence these cavilers and objectors. Let us see what are the figures. If it be so, we are to have a Government built upon the overthrow of the people's power by a privileged class, resting upon grants of taxation similar to those which were destroyed by the people of England one hundred years ago and which their Parliament to-day will not sanction. If it be so, and that is a better condition of things, let us adopt and declare to the people that we have made a mistake in the idea of government by the people and for the people, a government in which there shall be no entail, in which there shall be equality of distribution, in which there shall be, so far

as the law is concerned, equality of right, of opportunity, of ac-

Why disguise it to ourselves? These are questions which we must meet. These are questions which republican government must solve. Is the tribute exacted from the people too great? must solve. Is the tribute exacted from the people too great. Is it more than can justly be required? Is it more than is consistent with widespread prosperity? Is the privilege denied to every poor man to travel hither and thither with his wife and child and enjoy the elevation which comfort gives? Is it more than is consistent with saving them from the gutters and slums, from that vast army of ever-increasing paupers which swells the procession from the ranks of comfort, their homes and children threatened with it, into the ranks of misery and degradation and vice and crime? Are these questions unworthy of the American

When many persons believe that the gold policy, which the honorable Senator from New York extols as sound and beneficent, nonorable senator from New York extors as sound and beneficent, means the monopoly of money by a few men, means the prescription of extortionate rates of usury, means the ownership of all houses, of all stores, of all lots, of all places where commerce exacts toll and tribute of the toiling multitude, is it not wise that we should throw open the doors of inquiry and say, as a wise monarch would say, if this even were a monarchical government, "The happiness of the people, the prosperity of the great masses, the freedom of the laborer, are objects of government and of all sound and beneficent policies, and if there be these evils let correct them?" This is the oninion undoubtedly of a vast mass. sound and beneficent policies, and if there be these evils let us correct them?" This is the opinion undoubtedly of a vast mass of the people of this country. I will not say whether they be a majority or not, but if I were to rest my hopes of political future upon taking one or the other side of this alternative, I should be upon the people's side. I should say that the American people have the power, the wisdom, the intelligence to adopt public policies which should at least be equal to those of New Zealand, whose people are descended from the same ancestry, with the same civilization, with the same ideas of political and religious liberty. I should say that I would have no fear that the monopoly of money, whether it be gold or silver or paper, the monopoly of that which is legal tender for every man's debt, will be rebuked and prohibited by the great unanimous verdict of the people of prohibited by the great unanimous verdict of the people of the United States

I doubt whether any President, of whatever party, be he Populist (I do not think it impossible in this country that there may be a new party; I do not think it impossible in a country where people reflect and where principle and distinction of principle exist, that new ideas may come) or of any other party—I say I do not believe any wise man of any party elected to be President would sustain gold money if it be a monopoly. In my opinion it is an unquestionable monopoly; it is nothing but a monopoly. A few men in Europe, brokers in the public credit of the United States and other nations control the gold as they would control

States and other nations, control the gold as they would control diamonds or pearls or anything else that it is possible to control.

I saw in a New York paper the other day that the Rothschilds had loaned twenty thousand million dollars. Forty men have loaned within the last few years twenty thousand million dollars. How can forty men acquire twenty thousand million dollars? The institutions are faulty, the policies are faulty. What are these twenty thousand million dollars in? In land, in labor? No; in the power of taxation created by law, in government bonds

imposing this burden upon the people.

My able and distinguished friend the Senator from New York can well devote his abilities and his acute reasoning to considering the remedy for that condition of things. Take our own country. Our national debt increases, over and above the vast exports which we send abroad, all of our agricultural products chiefly, and somewhat of manufactures, as I see by the statement which I have from twenty-seven to forty million dollars a year, notwithstanding we send abroad nearly the entire surplus of our production. Yet the public debt, the gold debt, of our country to Europe, to the Rothschilds, richer by far than all the countries of Europe, protected against possible revolution, war, and its disasters, better than any country, increases yearly. Yet with this

Europe, protected against possible revolution, war, and its disasters, better than any country, increases yearly. Yet with this vast superiority we are going into debt every year from twenty-seven to forty million dollars to the poor people of Europe, who do not possess within \$2,000,000,000 the wealth which we possess. They are burdened with debt twenty times more than ourselves. How is that? Do you go to your poor neighbor, inferior in credit, in resources, to yourself to borrow money, with your production far, far above his? It is a trick of the trade; that is all. It can not be that we can be more inventive, more productive; it can not be that we can feed our own people and also the people of Europe, and yet be their slaves and tributary to them for the necessary means of carrying on our own Government.

on our own Government.

I am very far from objecting to the proper accumulation of wealth. I do not even object to these public franchises, with the power of taxation inherent in them, being vested in private hands if we are strong enough to control them against the corrupt

use of the people's money which they take from them. If they are to come here and buy seats in the Senate of the United States, if they are to come here and buy the seats of members of the other House, when a respectable person comes here and says, "I want an opportunity to prove it," I do not think it is quite the

thing to say that State rights prohibit it.

If State rights mean the corruption of the power of the State by foreign influences, then we had better not have it. We can not have any worse condition of things than that. We can not have any more destructive condition of things for the progress of mankind, the higher civilization, the better condition of the people of the world and of our own country, particularly the elevation of the American laborer, and contentment, comfort, education, and happiness in every home. We have the best people in the world. We have them because we have had our lands unoccupied and free scope was given to poverty and want and disaster to go upon the public lands and save themselves from the gutter, to save This country has been the pathway of relief for the poor and suffering. I have seen it. I have lived in a frontier country the greater part of my life. I know how beneficent free homes are to the poor people, and I know the selfishness and wickedness of the public relief home. the public policy have robbed the people of their homes and sentenced them to lives of poverty and humiliation.

It has not been my purpose to occupy the attention of the Senate for any great length of time.

Booth-Tucker, the leader of the Salvation Army, in regard to the extent of the misery inflicted upon the people of his country by the existing conditions, states that there are 150,000,000 people upon the verge of starvation in the world, and that in our country they are increasing and increasing rapidly. He allydes to the salvation Army, which has been doing a grand work. I recognize in this great and powerful organization, extending from India and throughout the states of Europe to every city of the United States, the unselfish and beautiful benevolence of men and women who rescue from the vast army of paupers and criminals the humanity which once lived in comfort and enjoyed the purity of homes within the circle and folds of society and religion.

I recognize that grand work. I have it upon the authority of these people, not only the book In Darkest England, but of the new salvation leader that what was pronounced not quite a century ago in the celebration of the Smithsonian bequest to be the great object and purpose of government is still its great purpose. John Burns, Chamberlain, and the other great statesmen of England state that to find work for the unemployed, to fill the homes of the workless who can not obtain work, is the great problem of modern statesmanship. It underlies the political ideas of all political parties. The old traditions have been lost in the centralization of power which comes by the corruption of all sources of public authority and public power.

Who can justify the imprisonment of the three California men

for conspiracy

What California men does the Senator from Florida Mr. HILL.

refer to?

Mr. CALL. I am referring to the three at Los Angeles who were sentenced to imprisonment for eighteen months. I do not remember the names. The Senator from California, if he were here, could give them. But for eighteen months they were nere, could give them. But for eighteen months they were sentenced to imprisonment, and a pardon has been refused them. Sentenced for what? They were laborers employed upon the railroads. They were the men who, with sleepless energy, toiled day and night; they were men of the class upon whose vigilance and skill and fidelity the lives and transportation of all the productions of this great country depend. They were sentenced to eighteen months' imprisonment. Why? Because they combined the same as gradients combine to be and even to better their conditions. same as syndicates combine to endeavor to better their condition.

Mr. HLLL. Will the Senator please explain what was the alleged ground of their imprisonment? What was the charge against them?

against them?

Mr. CALL. Conspiracy to stop the mails.

Mr. HILL. Were they tried before a jury?

Mr. CALL. Oh, yes, and a judge. That only serves, sir, to show, if the fact be that a judge and jury, in face of the law and facts, sentenced these men, that, while the institution of judge and jury are right, that judge and that jury deserve and should receive condemnation. Legislation should be had to prevent such a judge and sand sach a judge and special properties. a judge and such a jury from again inflicting upon a free-born citizen of the United States and a deserving laborer such a criminal and oppressive punishment. That is the remedy for that. But I say no one can justify it. I have read the briefs in the case. It is simply an evidence of how, even as to an innocent personant in the case. son, without an intention to do wrong, the progress of opinion goes in favor of dynastic privileged classes, privileged aristocracy, federalism, and against the institutions of freedom and the rights

There was an old Federal party. There is a Federal party now.

We have Federalist Democrats and Republicans, and I doubt

very much whether we would not have some Federalist Populists. Party names are not everything. It is ideas. You can not give the wealth of the country to me and to others without building us up. It is exclusive. It is in favor of privileged classes. I know something of it. I have seen it. I have seen it in conditions and forms in which it will never be repeated, but which were more favorable than can ever exist in any other community. It will grow. We know the fact that Thomas Jefferson and the people of the South who held large possessions, grew up with the refinements and tastes and elegances which belong to hereditary fortune. And while, in the free air of the new America, with its unoccupied soil, with its vast feeling of enterprise and activity, there grew up a splendid manhood and womanhood—elegant, rethere grew up a splendid manhood and womanhood—elegant, refined, brave, courteous, and patriotic—it was not the result, wholly or in large part, of the accumulated fortunes in their hands, but rather of the circumstances which surrounded them. It will behoove us to prevent its recurrence, because that is the sentiment of the people.

They sympathize, in my judgment, with those who sympathize with them. They do not want an aristocracy. They do not want a privileged class. They do not want men of too great fortunes, of hundreds and hundreds of millions of dollars derived from the power of taxation. They realize the fact that that is the condi-tion of things to which our economies and our institutions are

tending.

I have nothing to say about bonds or who was responsible for their issue or whether it was necessary in the growth of the conditions which have occurred. But I do mean to say when a resolution is offered here of inquiry upon any subject which the public opinion demands, that inquiry should be accorded, and while I am willing to make liberal grants of public money, and even franchises for public purposes, and to do full justice to these already granted, and to the citizens to whom they have been granted, I do desire such public policies as will make them minister to the convenience, comfort, and welfare of all the people, and to the perpetuity of the Republic. tuity of the Republic.

Bankruptcy.

SPEECH

HON. RICHARD W. BLUE.

OF KANSAS.

IN THE HOUSE OF REPRESENTATIVES.

Friday, May 1, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 8110) to establish a uniform law on the subject of bankruptcies throughout the United States—

Mr. BLUE said:

Mr. CHAIRMAN: Bankruptcy laws have not been favored in this nation. Three have been enacted since the organization of the Government—one in 1800, which was repealed in 1908; one in 1841, which was eliminated from the statute books in 1843; the third and last one in 1867, which remained upon the statute books until 1878, when it was, after several efforts, repealed. All these acts contained insolvency clauses, chiefly for the benefit of the creditor. Each one also contained provisions for involuntary bankruptcy.

A serious objection to any bankruptcy law in this Republic is the inability of the lawmaking power to make it uniform in its application. With a nationality composed of forty-five separate States, each with a constitution and code of laws of its own, varying as the necessities of the people may demand, the task seems

ing as the necessities of the people may demand, the task seems hopeless and impossible.

The framers of our Constitution were students of the laws of the mother country. The spirit and genius of our institutions have been molded and fashioned after the teachings of our Anglo-Saxon ancestors. The common law, as it existed at a certain period in the history of the mother country, modified to suit the conditions and necessities of the people, has been adopted and is yet in force in many States of the Union. In other sections of the country the civil law, modified to meet the necessities of the surroundings and advancing civilization of the race, has been adopted and approved. An aggressive, industrious, and highly civilized and approved. An aggressive, industrious, and highly civilized people, united in a common destiny and solicitous for a common people, united in a common destiny and solicitous for a common prosperity, happiness, and development, is working out the problem of self-government. One of the chief factors in the solution of this problem is the absolute independence in local affairs of each State in the Union. Each State in its home rule and management of the affairs of its people among themselves has a separate and distinct entity. But each is also a member of that greater and superior entity—the United States of America. As a conse-

quence of this system, each State has its exemption, insolvency, and attachment laws, differing as the peculiar genius and necessities of its people demand. To harmonize this with any general bankrupt law so as to make its operation uniform throughout the nation is an impossibility. An approximation is the most that can be expected. It may be stated as an axiom that bankruptcy laws here have ever and always been unpopular; that public sentiment has favored them only as matters of extreme necessity, and sought to have them repealed as soon as that inexorable necessity

The difficulties surrounding the enactment and enforcement of an acceptable bankrupt law in this nation seems to have been clearly understood by Senator Conkling, who, in speaking of the

act of 1867, said as follows:

clearly understood by Senator Conkling, who, in speaking of the act of 1867, said as follows:

I do not know, Mr. Fresident, perhaps I should not feel warranted in saying—but for a consideration which I will refer to in a moment, and which alone would restrain me—that the present bankrupt law, with changes which we might hope for, would be clearly a wise measure of legislation to remain: yet I am inclined to think that the most serious complaints grow out of conditions wholly unavoidable. For illustration, at least, I may say that our geographical difficulties are very great and that they can not be overcome. Men look at the administration of the bankruptcy system in Great Britain, and they compare it with ours, and they wonder with discontent that the comparison is against us. They forget that the bankruptcy system in Great Britain operates upon a limited area, amid a very dense population, with a very numerous and effectual judicial staff. England without the 12 counties of Wales has a little less than the area of the State of New York. Twenty-four million people inhabit it. Look to the taking of the census for illustration of what I am saying. The British census is taken in one night. It is taken between sun and sun and after sundown.

We take an enumeration here to count all the people scattered throughout all our borders, and weeks and months are exhausted and expenses are involved which would seem apocryphal, comparing them with the expenses of taking the British census and making no allowance for the disparity of conditions. So when you come to execute a bankrupt law in the thirty-eight states of the Union, sparsely populated and illy conditioned for transit from place to place, as many localities are, without a judicial staff so numerous as to carry justice to every man's door, you find, as was stated, I think, in a petition presented by my colleague, perhaps to-day, a percentage of the outcome of assets, and a percentage of the twenty in the carry intensity of the carry justice to every man's door, you

It may be said in this connection that there is at this time no popular sentiment in favor of a permanent bankrupt law in this popular sentiment in favor of a permanent bankrupt law in this nation. Whatever action Congress may take upon this subject, whatever measure it may enact into a law, it should strictly limit the time of its operation. In my opinion it should not extend beyond a period of five years. Each of the laws heretofore enacted by Congress have contained involuntary bankruptcy features. These provisions are chiefly in the interest of the creditor class and are in the main remedies for the collection of debts. The exacting creditor has ever and always sought to incorporate in the laws intended for the relief of debtors measures for the most speedy and thorough collection of debts. This has always been the vice of these measures. The spirit and intention of the bank-rupt law should ever and always be the relief of the unfortunate but honest debtor:

but honest debtor:

If a man has given up all his estate to his creditors, he is entitled to his release; if he has contracted his debts fraudulently or inconsistent with fair dealings, punish him; but if he has surrendered all he has give him at least an opportunity of retrieving his position and send him back into the world again with a chance of getting a living in the future and of becoming a wiser and better man; but do not pass upon him the sentence of perpetual mercantile excommunication.

The principle on which all bankrupt laws ought to be framed is to leave everybody to manage their own affairs, taking every precaution against almas.

The demand for a bankruptcy law at this time is based chiefly non the desire of the people to have the unfortunate but honest creditor relieved from the load of indebtedness upon him and which he is wholly unable to pay; to give him a new lease of life and offer him another opportunity to use his talent, experience, and industry in the development of the business of the country. There is no general demand among the people for national legislation for further and additional remedies in the collection of debts. The present measure, which is now before this House, is radically wrong in principle. It is conceded that it is fashioned after the Torrey bill, which was prepared by the attorney of the tradesmen and wholesale dealers in their interest and for the avowed purpose of facilitating collections. This bill is wrongly named. It should be entitled "An act giving additional remedies and powers to creditors in the collection of their claims against unfortunate debtors." By the terms of this measure the debtor can be made the subject of bankruptcy and suffer all the obloquy can be made the subject of bankruptcy and suffer all the obloquy of that term before the question of his solvency can be heard or determined. He is, in fact, by the terms of this bill, executed first and tried afterwards. However honest may have been his intentions, if he should be indebted to the extent of \$500 or upward, and is unable to pay, he may, by his conscienceless and unsympathetic creditors, be thrown into bankruptey at any time if, by the

unfavorable condition of business, he should become unable to

pay for thirty days.

The nine different acts of bankruptcy named in the bill are not only in several instances inconsistent with each other, but are of such character that almost any debtor can be forced into involsuch character that almost any debtor can be forced into involuntary bankruptcy. That this feature is wholly unnecessary there can be no question. Every State in the Union has its solvency and attachment laws which furnish ample relief to the creditor. He needs no other remedy than that which is already given him by the States themselves. It is the unfortunate debtor who should receive the wholesome and generous relief of a discharge. Under these State laws in almost every instance when Under these State laws, in almost every instance when a debtor is found to be in a failing condition, his creditors can get together and compromise and settle with him and give release to much better advantage than to adjust their claims in the bankrupt court with all its expenditures and delays. The utmost latitude should be given to the creditors and debtors in the management and settlement of their affairs without the intervention of the public.

John Stuart Mill says:

The tendency of public authority to stretch their interference ought to be ratched with unremitting jealousy.

Sir George Jessel has said:

Where there has been no criminality, it has been established by what might be called universal legislation that an arrangement between the debtor and his creditors is the first thing to be secured, and it should be limited to the will of the contracting parties.

Lord Chancellor Westbury has also said:

If the creditors choose to grant the debtor his discharge, let that be their oncern; if they wish to be indulgent and merciful, let them be so; it is no usiness of the court, but of the creditors.

Should this bill become a law nearly 75 per cent of the business men of the West would be harassed, intimidated, and oftentimes destroyed by it. In my opinion the entire section providing for involuntary bankruptcy should be stricken from this measure. If that can not be done, then I am willing to accept a provision for involuntary bankruptcy for actual fraud only. If this bill is not modified as suggested, in deference to the sentiment of the constituency which I have the honor to represent I shall feel constrained to yote against it. strained to vote against it.

It is proper at this time to refer to some of the vices of this proposed bankruptcy law. In the first section it seeks to give unusual definitions of words and phrases contained in the bill. Many of these definitions enlarge the scope and intent of the law to an unreasonable extent. It may be observed that a petition may be filed within four months after the commission of the act of bankruptcy as defined by this bill, and this provision of the bill further

Says:

Such time shall not expire until four months after (1) the date of the recording or registering of the transfer or assignment when the act consists in having made a transfer of any of his property with intent to defeat his creditors or for the purpose of giving a preference as hereinbefore provided, or am assignment for the benefit of his creditors, if by law such recording or registering is required or permitted, or, if it is not, from the date when the benefit ary takes notorious, exclusive, or continuous possession of the property unless the petitioning creditors have received actual notice of such transfer or assignment; or (2) the date of the return of legal process when the act consists in having secreted any of his property to avoid its being levied upon under legal process against himself and to defeat his creditors, as hereinbefore provided.

"Insolvent," as applied to a person, shall mean that his property is not sufficient inamount, at a fair valuation, to pay his debts, and when insolvency is to be inquired into with reference to an act of bankruptcy it shall be determined as of the date of the filing of the periton.

How would sand a process against house executed devices the application.

How would such a measure have operated during the unfortunate year of 1893? Thousands of honest business men all over the nation were for months hovering on the border of insolvency; ack of business confidence prevailed everywhere. Bankrupt stocks sold under the hammer throughout the land impaired and destroyed values and prices and demoralized business. Many of those who regarded themselves as entirely solvent, and who were in fact solvent, were wholly unable to realize on investments or meet their paper when it became due. Had one of these transferred, assigned, or mortgaged property for the purpose of paying or securing a portion of his debts, at any time within four months thereafter, he might have been thrown into bankruptcy by an exacting or remorseless creditor, although the act of transfer might have been made in absolute good faith the debtor befer might have been made in absolute good faith, the debtor be-lieving as he did that his property at a fair valuation at the time of the transfer would meet all of his outstanding indebtedness and discharge all his liabilities. This bill defines "transfer" as fol-

"Transfer" shall include the sale and every other and different mode of disposing of or parting with property, or the possession of property, also lately or conditionally, as a payment, pledge, mortgage, gift, or security and the creation of a lion on property by any means other than by compulsory process prosecuted in good faith.

Let us for a moment consider the second and fifth acts of bankruptcy in connection with the time of filing petition and the time

of determining the value of the property of the debtor and the definition of "transfer." Said act of bankruptcy is as follows:

Failed for thirty days and until a petition is filed while insolvent to secure the release of any property levied upon under process of law for \$500 or over, or if such property is to be sold within such time under such process then until three days before the time fixed for such sale.

The following is the fifth act of bankruptcy as described in said

(5) Made, while insolvent, a transfer of any of his property or suffered any of it to be taken or levied upon by process of law or otherwise for the purpose of giving a preference, and has not regained the ownership of such property or released same from such levy before the rights of creditors shall have been altered, changed, or impaired by reason of such transfer, taking, or levy and at least ten days before the commencement of a proceeding in hardward.

If the poor but unfortunate debtor seeks to avoid the second act of bankruptcy by the transfer of property he finds himself in the toils of the fifth. How, in disastrous financial periods like that of 1893, would an unfortunate tradesman protect himself against the second act of bankruptcy unless he did so by a transfer of prop-erty to pay his obligations or to secure the money with which to discharge them? If he did so, and in four months afterwards a petition should be filed by his conscienceless creditor, how would he escape the provisions of the fifth act? Again, "preferences" are not always unmixed evils. Should a debtor, struggling to avoid insolvency and bankruptcy, seek the aid of a friend who makes him a loan, hoping to tide him over his difficulties and save him from financial destruction, ought not that friend furnishing the money under such circumstances to have a preference over the money under such circumstances to have a preference over the creditor who has sold the debtor goods and commodities in the regular course of trade? Many instances readily suggest themselves in which an honest and equitable preference should be allowed, and yet the sixth act of bankruptcy in this bill reads as follows:

Procured or suffered a judgment to be entered against himself with intent to defeat his creditors, and suffered same to remain unpaid until ten days before the filing of a petition in bankruptcy: Provided. That a payment or satisfaction of such a judgment by a sale of any of the debtor's property or from the proceeds of such a sale shall not be deemed a payment of such judgment under the provisions of this section.

This measure seems to treat the question of preference with invidious distinction. It not only makes it the subject of bankruptcy, but provides by the terms of this sixth act that a payment or satisfaction of a judgment by sale of any of the debtor's property or from the proceeds of such a sale shall not be deemed a payment. In other words, if the debtor has procured or suffered a judgment to be entered against himself in favor of a preferred creditor he has committed an act of bankruptcy which the payment of the debt will not remove.

The eighth and ninth acts are as follows:

(8) Suffered while insolvent an execution for \$500 or over, or a number of executions aggregating such amount, against himself to be returned no property found, unless the amount shown to be due by such executions shall be paid before a potition is filed; or (9) suspended and not resumed for thirty days and until a petition is filed, while insolvent, the payment of his commercial paper for or aggregating \$500 or over.

Under the laws of most of the States of this Union it is the duty of any officer with process in his hand to first levy upon the per sonal property of the debtor. If he, after diligently searching, fails to find any personal property on which to levy, it is his duty to indorse on the process "no goods" or "no goods found." After which he may proceed against the real estate of the debtor. After

This eighth act of insolvency would seem to include a debtor who had not sufficient personal property to discharge his obligations. This eighth act of bankruptcy also comes in conflict with If the unfortunate debtor seeks to escape from one, he is

impaled on the other horn of the dilemma.

If the ninth act of bankruptcy is not stricken from this bill, it If the minth act of bankruptcy is not stricken from this bill, it will be found that almost any tradesman can, at some time in a financial crisis, be thrown into bankruptcy. If a business man is not permitted to transfer any property to secure a loan of money or otherwise get the means of discharging his indebtedness in a financial stringency and is to be declared a bankrupt if his commercial paper goes unpaid for thirty days or more, who of them

Again, the State of Kansas has a provision in its laws by which an attachment lien can be preserved and the order of the court or judge dissolving the same carried to the supreme court for review. If an unscrapulous creditor procures an attachment upon the property of an honest but unfortunate debtor, and the debtor appears before the court or judge and satisfies the court or judge that the attachment has been wrongfully obtained, and the court or judge makes an order dissolving it this lies were still be wretten. or judge makes an order dissolving it, this lien can still be pre-served until a final adjudication of the matter in the court of last

Under the second act of bankruptcy, as defined in this bill, no business man in the State of Kansas can escape being thrown into the bankruptcy court if he owes \$500 or more to unscrupulous and exacting creditors.

Another feature of this bill, which to my mind is exceedingly objectionable, is its provision in regard to corporations.

Labor Commission. SPEECH

HON. EDWARD D. COOKE.

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES.

Thursday, May 21, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collect information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital—

ommend legislation to meet the problems presented by later, agriculture, and capital—

Mr. COOKE of Illinois said:

Mr. Chairman: The bill recites that many of those engaged in the various fields of labor and many of those engaged in commerce are presenting grievances to Congress and to the various State governments, seeking and demanding legislation in their behalf. The commission to be appointed is to be called the industrial commission and consist of three men representing labor, three men representing agriculture, three men representing manufacture, and three men representing business, to be appointed by the President, neither political party to have a majority of such commission. The commission is to convene in Washington within sixty days after appointment and to proceed with the performance of its duties. The selection of secretaries and a presiding officer is provided for, and authority is given to make rules to carry out the purposes of the act.

act.

It is made the duty of the commission to investigate questions pertaining to immigration, to labor, to agriculture, and to business, and to recommend to Congress such legislation as it may deem best upon these subjects. The commission is further required to furnish such information and to suggest such laws as may be made the basis for uniform legislation by the various States of the Union in order to harmonize conflicting interests and to be equitable to the laborer, the employer, the producer, and the consumer.

and the consumer. The commission is to receive petitions and papers, give time for hearings, and may appoint subcommittees of its members to make investigations in any part of the United States, and is authorized. investigations in any part of the United States, and is authorized to send for persons and papers; and, aside from salaries, the expenses shall not exceed \$50,000 per year. Each member of the commission is allowed a salary of \$5,000 a year (men of the highest ability, character, and experience being intended to be selected); three secretaries are provided for at \$200 per month, and four legal advisors (one for each section) may be appointed with a yearly salary of \$5,000 each.

The commission may report from time to time to the President of the United States, and shall, at the conclusion of its labors, at the end of its term of office in two years, submit a final report. Such, Mr. Chairman, are substantially the provisions of the proposed bill.

proposed bill.

proposed bill.

I am most heartily in favor of the passage of this bill. It comes at an opportune time in the development of the laws of the English-speaking people upon the subjects which it embraces. If the bill passes and the commission appointed shall consist of able and experienced men (as it undoubtedly will), its work and report, and the discussion and information resulting therefrom, may well the development of curviville. be expected to mark an epoch in the development of our civiliza-

The only objection to the passage of this bill that occurs to my mind is the expense incident to the creation and work of the commind is the expense incident to the creation and work of the commission. But that objection seems to be overcome by two considerations, namely, the importance of the interests involved in the subjects to be inquired into by the commission, and the fact that the commission can perform the work assigned to it far better and cheaper than could any special or continued session of Congress held for the same purpose.

The report of the Committee on Labor upon this bill discusses briefly the subject of strikes in the United States and the losses to the country that are directly traceable thereto. The report sort upon this subject of strikes we desire to state that the Hon. Carroll D.

Othe country that are directly traceable thereto. The report says:
Upon this subject of strikes we desire to state that the Hon. Carroll D. Wright, Commissioner of Labor, in his third annual report submitted the results of an extensive investigation as to strikes and lockouts in the United states from 1860 to 1886. It will be seen by an examination of this summary that during the years named (1861 to 1866, both inclusive) there were 3,003 strikes in the United States.

There were 22,344 establishments and more than 1,333,308 employees in-

It will be seen also by this report that— The loss to the strikers for the period of six years was. \$31,814,7
Loss to the employees by reason of lockouts. 8, 157,7
Loss to employers of labor. 34, 163,8
Amount of assistance to strikers by contribution. 4,430,5

corporation may be thrown into bankruptcy and its property all taken from it and its business destroyed, yet it is not allowed the privilege of a release. It is unquestionably true that a prejudice exists in the minds of the people against corporations, but it must not be forgotten that a large volume of the business of this nation is transacted through corporations. The development of our civilization seems to render this necessary. The use of an artificial person with limited capital and fixed liabilities seems to be favored in all avenues of commerce and trade. Why should the corporation between these invidences are exception? in all avenues of commerce and trade. Why should the corporation be thus invidiously singled out and made an exception? If
good reasons should be found why a corporation should not be
discharged in bankruptcy, why should the authority be given to
throw it into a bankruptcy court and deprive it of its property,
impair its credit, and ruin its business? No provision is made by
this law for the winding up of the affairs of the corporation and
dissolving it. This measure simply provides a way to destroy its
usefulness and wreck its business without any corresponding
benefit. Why should not the corporations be left to the insolvency
laws of the several States? Should this bill become a law, would
it not be in the power of creditors to force the great railroad corlaws of the several States? Should this bill become a law, would it not be in the power of creditors to force the great railroad corporations of the nation now in the hands of receivers into the bankruptcy courts and thus interfere with the commerce, trade, and travel of the public? The provisions of existing laws are found to be in the main beneficial in the management and control of the great corporations which handle the transportation and communication of the public. These are serious questions which challenge the attention of the people of the country and demand a thorough and patriotic consideration.

It is admitted by the committee which reported this bill to the House that the business of the country. If that be true, would it not be a wiser and more patriotic thing not to enact a bankrupt law than to pass one so objectionable and threatening as the measure

than to pass one so objectionable and threatening as the measure now pending before the House? The people should be given the greatest latitude consistent with the welfare of the body politic in the management of their own affairs and the settling of all business relations between themselves. The interference of the Government of the United States by means of a bankrupt act with the business of the people should never be undertaken except in case of imperative necessity. The disposition of the officers of the courts to encourage bankruptcy proceedings for the sake of fees, and the abuse of the law, have always been objectionable features of bankrupt legislation in this nation.

It is also found in practice that the involuntary features of a bankrupt act become potent factors in the oppression of debtors in the hands of obdurate and conscienceless creditors.

President Grant, in the message in which he recommended a repeal of the law of 1867, used the following language:

repeal of the law of 1867, used the following language:

Careful and prudent men very often become involved in debt in the transaction of their business, and though they may possess ample property, if it could be made available, for the purpose to meet all their liabilities, yet on account of the extraordinary scarcity of money they may be unable to meet their pecuniary obligations as they become due, in consequence of which they are liable to be frustrated in their business by proceedings in bankruptcy at the instance of unrelenting creditors.

People now are so easily alarmed as to monetary matters that the mere filing of a petition in bankruptcy by an unfriendly creditor will necessarily embarrass and oftentimes accomplish the financial ruin of a responsible business man. Those who otherwise might make lawful and just arrangements to relieve themselves from difficulties produced by the present stringency in money are prevented by their constant exposures to attack and disappointment by proceedings against them in bankruptcy, and beside the law is made use of in many cases by obdurate creditors to frighten or force debtors into a compliance with their wishes and into acts of injustice to other creditors and to themselves. ors into a compliance creditors and to them

That expression is fully as applicable to the proposed law at the present time as the then existing law which was sought to be

repealed.
With the experiences of the past still vivid in the minds of many men now living, and the financial condition of the present before us, it seems strange that many men who claim to be seeking a strengthening of credit and a restoration of business confidence should insist that this measure for the relief of the honest but unfortunate debtor shall be made an engine of oppression in the hands of an exacting and conscienceless creditor. Shylock insisting upon his pound of flesh is apparent from beginning to end in the section which provides for involuntary bankruptcy. Under the guise and pretense of benefiting the debtor this extortionate and unworthy measure is sought to be made a law. It should fail.

fail.

It is the purpose of my colleague, Mr. Broderick, to offer at the proper time, as a substitute for this bill pending here, the Senate bill upon the same subject, with a few proper amendments. This substitute should prevail. It is a just and equitable measure. If enacted into a law it will bring relief to those unfortunate but honest debtors who are unable, by reason of financial embarrassment, to resume business. It is without the oppressive features of the House bill. I trust that the House will give to this measure the consideration which its merits deserve and eventually enact it the consideration which its merits deserve and eventually enact it into a law.

Total loss in six years.....

These figures represent the actual loss to the parties engaged and do not represent the enormous loss which incidentally came to the community by reason of such disturbances.

The facts and figures of the last few years in regard to strikes and lockouts are not fully accessible. They are recent history and are still more appalling than those given. One writer has estimated the loss caused by strikes in 1804 at \$30,000,000. Others estimate it as high as \$100,000,000.

As a citizen of Chicago I vividly recollect the great and disastrous strike of 1894 in that city, which began at Pullman and extended to almost the entire railroad interests centering in Chicago. At one period in the progress of that strike the people of Chicago people of Canadass and rioting as were in grave fear of such a spread of lawlessness and rioting as would lead to a repetition of the great conflagration of 1871. The immediate fears and passions engendered or aroused during that labor disturbance have so far subsided as to bring all persons concerned in it to a sober sense of the evils and dangers lurking somewhere in the body politic, which render it the part of wisdom to pause, investigate, and consider.

The present time would seem to be the proper one at which to discuss remedies for the existing and periodical labor riots and contly strikes. The reckless and ignorant teachings of anarchists as to property rights and as to what are feasible remedies for any injustice that exists should be offset by at least tentative suggestions of practicable and sound remedies. Many very able and gestions of practicable and sound remedies. Many very able and thoughtful editorials and papers upon this subject have appeared in the press of the country and various remedies have been proposed, but I venture to suggest that the views so expressed do not as a rule go far enough. Explicit remedies are needed.

No laws can or should endure which do not adhere to and proceed along the line of justice—that is, justice between man and

man. Mr. Lincoln's statement in the time of Southern slavery is still true: "The nation can not endure half slave and half free." still true: "The nation can not endure half slave and half free."
Unless the line of honor and justice is closely followed in the division of profits and in the fixing of fair wages, the nation will cease to exist in its present form; there will ultimately come a revolt in which the really or supposedly favored few will be overcome by the many who are really or supposedly oppressed.

During the times of human slavery labor was regarded as too degrading to be performed by the free; and it is difficult to trace the slightest semblance of protection or regulation pertaining to free labor in the laws of those times.

free labor in the laws of those times.

Montesquieu in his work on the Spirit of Laws, speaking of the manners of the ancients (Book IV, chapter 8), says:

manners of the ancients (Book IV, chapter 8), says:

It is observable that in the cities of Greece, especially those whose principal object was war, all lucrative arts and professions were considered as unworthy of a freeman. Most arts, says Xenophon, corrupt and enervate the bodies of those that exercise them: they oblige them to sit under a shade, or near the fire. They can find no leisure, either for their friends or for the Republic. It was only by the corruption of some democracies that artisans became freemen. This we learn from Aristotle, who maintains that a well-regulated republic will never give them the right and freedom of the city. Agriculture was likewise a servile profession, and generally practiced by the inhabitants of conquered countries, such as the Helots among the Lacedae-monians, the Periecians among the Cretans, the Penestes among the Thessallans, and other conquered people in other republics.

In fine, every kind of low commerce was infamous among the Greeks, as it obliged a citizen to serve and wait on a slave, on a lodger, or a stranger. This was a notion that clashed with the spirit of Greek liberty; hence Plato, in his laws, orders a citizen to be punished if he attempted to concern himself with trade.

And the same author discussing the explaint of the condenses of the concern himself with trade.

And the same author, discussing the subject of cruel laws (Book XV, chapter 15), says:

(Book XV, chapter 15), says:

Lenity and humane treatment may prevent the dangers to be apprehended from the multitude of slaves in a moderate government. Men grow reconciled to everything, and even to servitude, if not aggravated by the severity of the master. The Athenians treated their slaves with great lenity; and this secured that state from the commotions raised by the slaves among the austere Lacedemonians.

It does not appear that the primitive Romans met with any trouble from their slaves. Those civil broils which have been compared to the Punic wars were the consequence of their having divested themselves of all humanity toward their slaves.

A frugal and laborious people generally treat their slaves more kindly than those who are above labor. The primitive Romans used to live and eat with their slaves; in short, they behaved toward them with justice and humanity. The greatest punishment they made them suffer was to make them pass before their neighbors with a forked piece of wood on their backs. Their manners were sufficient to secure the fidelity of their slaves, so that there was no necessity for laws.

But when the Romans aggrandized themselves, when their slaves were no longer the companions of their labor, but the instruments of their luxury and pride, as they then wanted morals, they had need of laws. It was even necessary for these laws to be of the most terrible kind in order to establish the safety of those cruel masters who lived with their slaves as in the midst of enemies.

They made the Sillanian Senatus-Consultum and other laws, which decreed that when a master was a surfaced.

the safety of those cruel masters who lived with their slaves as in the midst of enemies.

They made the Sillanian Senatus-Consultum and other laws, which decreed that when a master was murdered all the slaves under the same roof or in any place so near the house as to be within the hearing of a man's voice should, without distinction, be condemned to die. Those who in this case sheltered a slave in order to save him were punished as murderers; he whom his master ordered to kill him and who obeyed was reputed guilty; even he who did not hinder him from killing himself was liable to be punished. If a master was murdered on a journey, they put to death those who were with him and those who fied. All these laws took place even against persons whose innocence was proved; the intent of them was to inspire the slaves with a prodigious respect for their master. They were not dependent on the civil government, but on a fault or imperfection of the civil government. They were not derived from the equity of civil laws, since they were contrary to the principle of those laws. They were properly founded on the principles of war, with this difference, that the enemies were in the bosom of the State.

The crude and oppressive enactments regulating labor which were passed about the time human slavery expired show clearly the cruel barbarism out of which the race was then emerging. Under the English law in the time of the Saxons, as far back as it can be traced, the nation consisted of freemen (nobles and coerls) can be traced, the nation consisted of freemen (nobles and coerls) and slaves, the latter a numerous body and incapable of holding property. The villeins, who held lands on servile tenure and were a species of serfs, and the slaves, incapable of holding property, can hardly be distinguished in the crude laws of the Saxons before the Norman conquest. But even under those laws the power of the lords over their slaves was not absolute. If the owner beat out a slave's eye or teeth the slave recovered his liberty. (Laws of Alfred, section 20; 1 Reeve's Hist. of English Law, pages 13, 14.) Under the feudal system, as practiced in England after the Conquest, the villeins were tillers of the soil, and for a long time occupied the position generally of slaves annexed to the lands on which they were born, though they were gradually emancinged.

which they were born, though they were gradually emancipated. The oldest English statute pertaining to laborers, enacted after the Conquest, was adopted A. D. 1349 (23 Edw. III) and followed the great plague which thinned the lower class of people, servants and laborers, who took occasion to demand very extravagant wages, and rather than submit to work upon reasonable terms became vagabonds and idle beggars, as recited in the preamble of the act. This statute compelled able-bodied persons, not having lands or employment, to serve in stations suited to their condi-tions, on wages and terms usual in the five or six years preceding the twentieth year of the then king. Those refusing or departing from such service were to be imprisoned. All persons paying or receiving or demanding more than the above wages were to forfeit double the sum, and artificers or workmen refusing to work for the prices usual at the above-mentioned periods were to be committed to jail.

A further regulation was made on the same subject in the year 1351 (25 Edw. III), and also in the reigns of Richard II and Henry IV. And these statutes were followed by an attempt which was made by statute (1 Edw. VI, c. 3) to introduce a system of cap-tivity or slavery, by ordaining that all idle vagabonds should be made slaves and fed upon bread and water or small drink and refuse meat; should wear a ring of iron round their necks, arms or legs; and should be compelled, by beating or otherwise, to perform the work assigned them, were it never so vile. But, as Blackstone says (1 Bl., 424), "The spirit of the nation could not brook this condition, even in the most abandoned rogues; and therefore this statute was repealed in two years afterwards."

(3 and 4 Edw. VI, c. 16.)

The provisions of the later statute of Elizabeth (5 Eliz., c. 4) as to laborers (aside from menial servants and apprentices) made regulations, in substance: (1) Directing that all persons who have no visible effects may be compelled to work; (2) defining how long they must continue at work in summer and in winter; (3) punishing such as leave or desert their work; (4) empowering the justices at sessions or the sheriffs of the county to settle their wages; (5) inflicting penalties on such as either give or exact more wages than so settled; and (6) giving to persons serving seven years as apprentices to any trade the exclusive right to exercise that trade in any part of England. And this statute has been followed by others in England upon the same subject (notably 6 George III, c. 26, and numerous others from 22 George II to the present time, regulating the relations of moster and sevent.

In the United States the subject of laborers and their wages or service (aside from African slavery) has never been seriously attempted to be regulated by law. Mr. Parsons in his work on Contracts, referring to the English statutes as to the relations of mas-ters and servants, says:

In this country we have nothing of this kind. With us a contract for service is construed and governed only by the general principles of the law of contracts. (1 Parsons on Contracts, 101.)

This result came doubtless from several leading causes, the chief ones being that aristocracy and feudal conditions found no place under the Constitution; universal suffrage was adopted and the toilers of all kinds were placed upon an equality as rulers; the conditions of a scarce population rendered it unnecessary to reconditions of a scarce population rendered it unnecessary to restrict and regulate parish settlements, the care of the dependent poor, and the hiring of apprentices; and the ownership of lands by the people became quite general. Within the last thirty to fifty years the vast increase which has taken place in our population, and the still more wonderful growth of manufactures, springing from the inventive genius of the age of steam, telegraphs, and electricity and labor-saving machinery, with the help of protec-tion as an American system, and from the later comparative scarcity of lands, makes it necessary to consider seriously in its new form and changed aspects the old problem, viz, What is the

recompense justly due to labor?

The principal acts of Congress pertaining to labor, passed prior to the present Congress, may be briefly summarized as follows: (1) The law constituting eight hours a day's work for laborers,

workmen, and mechanics in the service of the United States. Revised Statutes, section 3738.

(2) The acts forbidding the immigration of contract labor, of

1885, 1887, and 1891.

(8) The act allowing the incorporation of national trade unions, organized for the purpose of aiding their members to become more skillful and efficient workers, the promotion of their general in-telligence, the elevation of their character, the regulation of their wages and their hours and condition of labor, the protection of their individual rights in the prosecution of their trade or trades, and for their mutual protection or benefit, through benefit funds or otherwise; which act was adopted June 29, 1886.

(4) The act forbidding the hiring out of convicts of the United

States, adopted in 1887.

(5) The acts enforcing the eight-hour law in the Government Printing Office and in the carriers' service, adopted in 18

(6) The act of October, 1888, to create boards of arbitration for settling controversies and differences between railroad corporations and other common carriers in interstate commerce, which controversies and differences may hinder, impede, obstruct, interrupt, or affect such transportation, if, upon the written proposition of either party to the controversy to submit their differences to arbitration, the other party shall accept the proposition, each party to select one arbitrator and the two so selected to select the third arbitrator.

(7) The acts of 1890 and 1891 forbidding the importation of the products of convict labor, and for the inspection of mines in the

Territories.

(8) The act of June 37, 1884, created the Bureau of Labor, which Bureau was merged in the Department of Labor, created under the act of June 13, 1888. The latter act in substance provided a Department of Labor at Washington, the general design and duties of which shall be to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to capital, the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity. The Commissioner of Labor is specially charged to ascertain, at as early a date as possible, and whenever industrial changes shall make it essential, the cost, including wages, of producing articles at the time dutiable in the United States, in leading countries at the time dutable in the United States, in leading countries where such articles are produced, and the profits of the manufacturers and producers of such articles, and the comparative cost of living and the kind of living. The Commissioner is further to report upon the effect of customs laws, the effect of currency on agriculture and mortgage indebtedness, and what articles are controlled by trusts, and the effect thereof on production and prices.

The Commissioner is required to establish a system of reports at The Commissioner is required to establish a system of reports at intervals of not less than every two years, by which he can report the general condition, so far as production is concerned, of the leading industries of the country, and further required to investigate the causes of and facts relating to all controversies and exputes between employers and employees as they may occur, and which may tend to interfere with the welfare of the people of the different States, and report thereon to Congress. The Commissioner shell also obtain information upon the various subvises. sioner shall also obtain information upon the various subjects committed to him as he may deem desirable from foreign countries, and as to what, if any, convict-made goods are imported into this country, and annually report to the President and Con-gress the information collected and collated by him, with such recommendations as he may deem calculated to promote the effi-

ciency of the Department.

(9) In 1892 a penalty for infraction of the eight-hour law as to employees of the Government was enacted; and an appropriation was made to investigate the occupations, earnings, sanitary surroundings, and other essential facts, to show the condition of the residents of what is known as the slums of cities of 200,000 inhabitants and over, compared with the residents of cities of similar size

(10) In 1894, by act of Congress, the first Monday of September in each year, known as Labor's Holiday, was made a legal public holiday; the Commissioner of Labor was authorized and directed holiday; the Commissioner of Labor was authorized and directed to investigate and make report upon the conditions attending the employment of women and children; their wages, earnings, sanitary surroundings, and cost of living; the effect of various employments upon their health and longevity; what measures are taken to protect their physical condition and to protect them from accidents; the rates of wages paid them in comparison with the rates paid men; and the effects of their employment upon the wages and employment of men; and as to the effects of machinery on labor; and the economic aspects of the liquor problem.

With the exception of Pennsylvania, I believe no State has attempted to adopt compulsory arbitration for the settlement of

tempted to adopt compulsory arbitration for the settlement of disputes between the employed and the employer. Generally speaking, State legislation has followed the lines of Federal legis-

lation on this subject, by aiming to facilitate the organization of labor, educating the workingmen in their crafts and callings, furnishing them with statistics, facts, and information bearing upon hishing them with statistics, facts, and information bearing upon their pursuits, taking away as far as practicable the competition of convict and Chinese labor, improving the surroundings of the work and homes of laborers, making voluntary arbitration easy to be resorted to, and, in short, dignifying and exalting the position and status of the laborer as much as can be done with the present knowledge upon the subject. Doubtless these Federal and State enactments have done much to benefit and soothe the condition of the working world, of those at least who are wage-earners as distinguished from the class of workers who work for themselves, as the phrase is, and as distinguished from the class of workers who toil in literary, scientific, medical, legal, or educational professions.

But the fact remains that the task of the lawmaker is not finished. Nor indeed is it reasonable to expect that the necessity for changes in and improvements of the laws will ever end, at least so long as man remains a selfish being. Notwithstanding all the enactments to which I have briefly referred, from the times of human slavery until the present, humanity has struggled and complained against injustice and inequality in the laws. No remarks the contract of the contrac edy has ever been so direct and efficacious as to put a stop to the overreaching of the weak by the strong, the ignorant by the edu-cated and cunning, the foolish and confiding by the knavish and

What better proof could be had or desired of the continuing bit-ter and cruel struggle of man against man than the simple but true and appalling statement I have quoted from the committee's report, showing that the strikes and lockouts in the United States from 1880 to 1886 reached 3,902 in number, involved 22,304 establishments, affected 1,328,203 employees, and entailed a loss of \$98.586,859, without counting at all the general loss and disturbance of the communities in which the strikes and lockouts occurred?

It would be a work of the greatest arrogance and presumption for any person who has not devoted a lifetime to the study of social economics, labor problems, history, and laws, to urge a plan of legislation or to lay down positively a line of action to be pursued in regulating the rights of labor. It seems easier to point out or suggest in general terms some few things that should be avoided in the legislation of the future upon this question than it is to suggest a definite or positive line of enactments. I confess

is to suggest a definite or positive line of enactments. I confess that the problem utterly appalls me, though I appreciate to some degree the importance of solving it.

Unless our laws are formed to do as nearly as possible substantial justice to all, the discontents will continue and increase. It is equally necessary that the people for whose benefit laws are passed shall be shown, in a way which they shall themselves understand, that the laws do work out exact or nearly exact justice. It is not sufficient that justice shall be very nearly always done under the law, if such be the case, but it is also equally recessary that the discontents which so often overtake the page ways done under the law, if such be the case, but it is also equally necessary that the discontents which so often overtake the people shall be cured by and through a plain, clear, and satisfactory demonstration to them that justice prevails. For instance, it is believed by many working people—artisans, laborers, and followers of the more humble callings in life, including farmers and agricultural laborers—that their just share of the profits and wages of toil, manufacture, and commerce is not paid and accorded to thom. orded to them.

The mystery as to what becomes of profits, and as to what is the exact aggregate of profits and the source thereof, needs to be cleared up far more fully than at present is done. The laws must be framed so as to effectively point out the evil practices that exist, and to remedy the same by clearly traceable and apparent steps. A new statute of laborers seems necessary in order to meet

steps. A new statute of laborers seems necessary in order to meet the more modern conditions of society, and in order to regulate the absorption of the present vast output of human toil. Not to take one man's property or capital from him to give it to another, but to prevent any man or corporation from obtaining by false pretense, mystery, and deception the labor or goods of another.

In the new statute, yet to be written, more equal and ideally just relations between the employer and the employed must be aimed at. All the old ideas of serfdom and villeinage, and all aristocratic notions of the dominion or lordship of one man or set of men over another man or set of men must be palpably put aside and satisfactorily set at naught. An equal division of property and earnings among all men would be as unjust as it is impracticable. The exact division of good character and mental capacity, not to speak of industry, frugality, and economy among all men, will never be known. But it is not too much to hope that fully as great strides will hereafter be made in bringing justice to bear upon human relations (in the just division of real and personal property, goods, profits, and creature comforts) as have ever yet property, goods, profits, and creature comforts) as have ever yet been made in the past history of the race.

This progress can not be reasonably looked for along the line of any form of socialism which takes away the private ownership

and control of property; nor from a spirit of anarchy and lawbreaking, from which the weak and ignorant suffer most. There are better lines which may be pursued. From the barbarous times, in which brutal, cruel, and inhuman slavery existed and was practiced by the strong upon the weak and defenseless, until the present time, when all men are by law declared to be free, is a long period; and between the two conditions a great contrast is prasented. Every step in that long march was one in which the individual was given a fairer chance to work, save, earn, and contrive for himself; whereby the individual was left the right and chance to compete on equal grounds with others. It seems not too much to say that the confiscation of all property

It seems not too much to say that the confiscation of all property to the state, or anarchy, would simply place all property in the hands of the brutal and the strong, and that those who fondly dream of happiness and plenty in such times would become the suffering and starving portions of society. And further, it seems not too much to hope that another and wholly blessed step can and will be taken by our race when it shall have progressed to such a point beyond its present semibarbarous and semioppressive system, or rather lack of system and order, that a law may be made that shall result in an equitable and just division of the products of labor upon a basis which shall be generally accepted as equitable. It seems idle, however, to dream of fixing any exact standard for such division. The law of supply and demand must forever be the controlling basis upon which to fix the price of every commodity, including the labor of the artisan and the labor of every other person who puts forth effort for gain. Between these two necessities, then—first, of freedom to the individual to contract, work, and acquire and hold property for himself, and second, the necessity for just and equal conditions upon which to judge of an make contracts—the lawmakers must find themselves placed.

It seems clear also that all, the light possible should be thrown upon economic conditions; that in so far as employers keep their

It seems clear also that all the light possible should be thrown upon economic conditions; that in so far as employers keep their employees in the dark concerning the details, exigencies, and results of their business the employees can not judge as to the fairness of the wages paid to them, and are very apt to make foolish demands at times or to be overreached and robbed at others. As wages must rise and fall under varying economic conditions, it would seem only fair and just that such varying conditions should be made known systematically by law to those concerned therein, and that if employers refuse to allow the facts and figures concerning the operations of their business to be inquired into on proper occasions and under proper and reasonable restrictions the law should strive to find a way to enforce such inquiries, if it can be done without injustice to the employer.

Only by such a system, under which the wage workers would be furnished reliable and exact figures, from balance sheets and inventories, passed upon by expert accountants, can the wage worker learn or judge for himself when, all things considered, he is selling his labor for a fair price. Railroads, banks, insurance companies, boards of trade and other semipublic institutions are compelled to furnish such details of their business as to enable the public dealing with them to judge of their solvency and earnings. Why should not the employers of labor do substantially the same thing, in the interest of justice and humanity, not to speak of the public tranquillity? I ask this question with the utmost diffidence, feeling altogether uncertain as to the wisdom of the suggestion.

What a shameful spectacle is presented by great corporations, on the one hand, claiming positively that they have been doing business at a less, that to continue to do business and pay their workmen their former wages would entail a great less, and, on the other hand, the spectacle of the employees and great labor unions claiming that the corporations are uttering monstrous and willful lies; that the wage workers are in fact oppressed, while the corporations are making large profits and declaring dividends from the labor of the workers.

A law to compel the employers of labor to submit differences with their employees to arbitration and to abide by the result can not be enacted without invading and destroying the private ownership of property, but it ought not to be too difficult to frame a law (based upon the police power or upon the principle of the banking, railroad, insurance, or building association laws) which would compel all employers of labor having in their employ, say, 100 or more persons to keep full and accurate books of account of all their business operations, and to submit the same to a thorough and rigid examination by the auditor of public accounts, or a national examiner, so that it could be reliably and accurately ascertained whether the wage workers and their unions or the employers are acting the part of walves; in the community.

or a national examiner, so that it could be reliably and accurately ascertained whether the wage workers and their unions or the employers are acting the part of wolves in the community.

Public opinion and the law should together demand that the proper steps be taken to place the responsibility for starting ruinous and bloody riots, such as have often disturbed the nation (and have been quelled by armed force), upon the shoulders of the really guilty parties. How can this be done without clear and reliable information from the books and accounts of labor employers, from which those deeply concerned, including the public

as well as the labor unions, may freely judge as to the intrinsic value of labor, in comparison with the other elements of value which enter into economic conditions?

which enter into economic conditions?

When corporations and employers of labor are about to be subjected to adverse legislation they are only too glad to open up their books and to show the operations of their business; and the showings made often help to defeat the obnoxious measures. When the rights of others are heavily involved, should the same showing be denied? It is not meant by this that any compulsory hiring of men should take place, nor that any fixed rate of wages can or should be compelled by law, but simply that the facts may be elicited, upon which candid minds may judge intelligently and not in the dark as to the justice of all demands and counter demands out of which lawbreaking and bloodshed arise.

Mr. Chairman, in closing I would say that the views I have expressed lead me naturally to the conclusion that the bill under discussion should be passed. The bill is directly in line with the opinions I have held for a number of years past on the subject of practicable legislation in the interest of labor in all its forms. It is far easier to indiscriminately condemn existing laws on any subject than it is to frame better laws. And I may venture to add that a careful study and patient investigation of all the branches of any subject demanding legislation is the first great essential to its successful treatment by the lawmaker. The bill now in hand provides for such a study and investigation by those best fitted to do the work, and, in my judgment, should be supported by every friend of American labor, as well as by all who desire the prosperity of the farming interests and the tranquillity and prosperity of the manufacturers and business men of our common country. I hope the bill will pass.

The History of Money and Financial Legislation in the United States.

SPEECH

Ob

HON. JOSEPH W. BABCOCK,

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collect information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. BABCOCK said:

Mr. SPEAKER: Thirty-five years ago the Republican party, confronted by the gravest exigency in our national life, originated and adopted a system of currency and credit. This system was subjected to the severest of all tests—civil war

This system was subjected to the severest of all tests—civil war in its most tremendous form—but achieved a success and earned a place among the monetary systems of the world far greater than any ever instituted by any government on the face of the earth.

The Republican party has steadfastly maintained the high stand-

The Republican party has steadfastly maintained the high standing of this system through all the years of its ascendency; has held firmly to an interchangeable currency based upon coin, every dollar of which has been maintained and redeemed according to the original pledge.

The same party is to-day, as ever, in favor of the same sound money, and will continue to maintain, by prudent legislation, the same wide use of gold, silver, and paper with profit and security to all the people.

OUR METALLIC MONEY.

Under the Confederation of 1778 Congress was given the sole and exclusive right and power to regulate the alloy and value of the coin struck by their own authority, or by that of the respective States, but, having no power to enforce its laws in the States, and no revenues with which to carry out its own right of coinage, nothing was done.

Under the Constitution Congress was given the exclusive power to coin money, to regulate the value thereof, and of foreign coins. It was expressly provided that no State shall coin money, and Congress exercised this power by the passage of the act of April 2, 1792, establishing a mint and regulating the coins of the United States.

In this act the "dollar," of gold or silver, was adopted as the unit money of account, with the dollar coin of 371.25 grains of pure silver as the base.

FROM SILVER TO GOLD BASIS.

Between 1792 and 1834 we were under a bimetallic system, with the silver dollar as the actual unit on a basis of 15 to 1. Spanish dollars until 1816, and other foreign coins of both metals until a later date, were also a legal tender; but, as our lighter weight silver dollars were exported to the West Indies, where they passed

at par, we were without a sufficient national currency of either or both metals.

Legislation was therefore necessary, and by the laws of 1834 and 1837 the weight and fineness of the gold coin—and by the latter act the weight and fineness of both coins—were changed so as to make the ratio 16 (15.98) to 1, and to establish the double unit, viz: The eagle of gold and the dollar of silver.

COINAGE AND EXPORT OF SILVER TO 1853.

This change undervalued silver, as the act of 1792 had undervalued gold; and, as a result, silver went out of the United States to

countries where it was worth more than with us. In 1847 our coinage of gold was \$20,202,325, which fell to \$3,775,-513 in 1848; while silver, in 1847, was \$2,374,450, and \$2,040,050 in

The effects of the California gold output were felt in 1850 and its coinage increased, while that of silver decreased.

In 1850 the gold coinage was \$31,981,789; in 1851, \$62,614,493; in 1852, \$56,846,188; while silver, in 1850, was \$1,866,100; in 1851, \$774,397; and in 1852, \$999,410.

CONDITIONS IN 1853. By 1853 (in spite of an annual coinage of over a million dollars in halves, quarters, etc.) there was not enough subsidiary silver for small change, and we were on practically a gold basis. By the act of this year the values of the minor silver coins were reduced so as to stop their exportation, and what was a still more impor-tant act, these were made a limited legal tender for all amounts not exceeding \$5. This was the first step in the impairment of the double standard, established by the gold act of 1834.

CAUSE There were good reasons for this action. Silver was scarce, gold was plentiful, and it had been found necessary to coin silver in small denominations and with smaller proportionate values than the standard dollars to keep them at home for domestic use.

INCREASED GOLD OUTPUT. The world's supply of gold had suddenly increased because of the California and Australian output. From an annual product of about \$13,482,000 in the period from 1831 to 1840, it reached \$132,500,000 after 1850. The natural result was to raise the value of silver and to lower that of gold.

NO SILVER IN CIRCULATION. Then, too, we had no silver dollars in the country, or at least not in sufficient quantities to figure largely as a circulating medium. We had coined none from 1806 to 1836, and from 1836 to 1853 we had only coined of dollars 1,067,378, all the other silver coinage in this period being of minor money.

GOLD THE ACTUAL STANDARD. While, therefore, after 1853, except for the minor coins, the double standard was the law, yet the actual condition was that of a single gold standard.

Let us briefly review—
The act of 1792 made the silver dollar the unit, at 15 to 1; those of 1834 and 1837 changed the ratio to 16 to 1; that of 1853 reduced the values of the minor silver coins and limited their legal tender

to \$5.

While the acts of 1834 and 1837 made the eagle of gold a co-unit with silver, they did not repeal the act of 1792, which based the unit of a bimetallic money on the silver dollar. But from the causes already named 1853 found us with a prac-

tically single gold standard, with gold as the cheaper and more plentiful metal. While filver dollars were a full legal tender, they were not greatly used, because they were usually worth more abroad than at home and were exported. Gold was the chief and sole base for coin currency.

We could not, indeed, have had many silver dollars then, because the total coinage of these up to 1853 had been only \$2,506,890. This condition obtained until the exigencies of the civil war drove all coin money out and gave place to bonds, greenbacks, and national-bank notes.

GOLD STANDARD INTENDED There is no doubt as to the intention of the lawmakers at that time on this point. They were legislating for a single gold standard, although they left the silver dollar as a co-unit. That this was the end sought is shown by the remarks made by the chairman of the Committee on Ways and Means:

We mean to make gold the standard coin, and make these new coins

The subsidiary silver of proportionately less valueapplicable and convenient, not for large, but for small transactions

Another member of the same committee said: We have had but a single standard for the last three or four years; that has been and now is gold. We propose to let it remain so, to adapt silver to it, to regulate it by it.

In 1861 came the civil war, the tremendous expense account of the Government, the exhaustion of our current money, and later the issues of paper money in Treasury notes and bonds and national-bank notes.

HISTORY OF THE ACT OF 1873.

This act, concerning which so much has been said, was intro-

duced in the Senate April 25, 1870; was considered through five sessions of Congress, and became a law February 12, 1873.

It has been charged that this bill demonetized silver, not openly, but by means of an amendment not fully known or understood except by a few. Let us follow the course of this bill.

THE ORIGINAL BILL.

As originally presented, April 25, 1870, section 14 made the gold dollar of 25.8 grains the standard of value, the unit of computa-

Section 15 provided that the weight of the silver coins should be for the half dollar 192 grains (the dollar was not mentioned), with proportionate values for the quarter, 25-cent piece, and dime; and that these should be legal tender for \$1. Section 18 enacted that no coins other than those mentioned that is, gold and minor silver) should be thereafter coined.

SILVER DOLLAR PIECE DISCONTINUED.

On page 11 of the report which accompanied this original bill are the following words:

The coinage of the silver dollar piece is discontinued.

The discontinuance of the silver dollar piece is pointed out by the discontinuance of the silver dollar piece is pointed out by the committee three times in other places in this report. In all the discussions and in every form of the bill these two features, making the gold dollar the standard unit of value and the omission of the silver dollar (of 412½ grains), remain unchanged. Indeed sections 14 and 18 were never changed, but passed absolutely as first presented in the original bill.

SILVER SECTION.

Section 15 passed through enough changes to warrant the idea that its every provision was understood by all fully. In the Senate it first went through unmodified—36 to 14—(January 10, 1871), Senator Sherman voting against and Senator Stewart of Nevada voting for it.

LEGAL TENDER FIVE DOLLARS. In the House committee this section was amended to make the

legal tender \$5; but, owing to lack of time, the bill went over.

On March 9, 1871, Mr. Kelly, in the House, reported the same bill as amended by the previous House committee; that is, with the legal tender raised to \$5; and, except for the 5-cent piece, it was an exact reproduction of the law of 1853. No silver dollars were to be coined, and this minor coinage was to be a legal tender for \$5 only.

A 384-GRAIN DOLLAR.

In the discussion it was shown that some desired to have a silver dollar included, although all agreed that its legal tender should be limited, and that its contents should be not 412½ grains, but twice that of the proposed half dollars, or 384 grains.

On February 13, 1872, Mr. Hooper reported it back as H. R. 1427, with these provisions:

SEC. 16. That the silver coins of the United States shall be a dollar, a half dollar, a quarter dollar, and a 10-cent piece, and that the weight of the dollar shall be 384 grains, the half and other coins in proportion, and that these shall be legal tender for \$5.

This passed the House May 27, 1872. It will be noted that this is not the old standard dollar of 412½ grains, but a subsidiary coin for change and of limited legal tender.

TRADE DOLLAR.

There were some who desired to attempt a competition in the East Indies with the Mexican dollar, and through these the bill was still further modified. As it was finally passed, in the Senate January 17, 1873, and House February 7, 1873, the silver clauses were as follows:

A trade dollar of 490 grains for this export trade, although it was made a legal tender and so remained until July 22, 1876, for \$5 at home; a half dollar of 121 grams (on the basis of a silver dollar of 396 grains); and minor coins of proportionate value.

All these were made legal tender for \$5 only. A silver was included in the copper and nickel coins. A 5-cent piece of

4124-GRAIN DOLLAR NEVER IN THE BILL.

From the foregoing it is plain that the silver dollar of 412‡ grains, "the dollar of the fathers," was not dropped out surreptitiously, because it was never in the bill to be dropped out. No one wanted it there. First they had a half dollar (no dollar), then a dollar of 384 grains, then a trade dollar for the Pacific Coast trade to the East Indies, and a half dollar of 12½ grams of 188 grains (at the rate of 396 grains for a dollar), and all this cit 198 grains (at the rate of 396 grains for a dollar), and all this silver was, from first to last, a limited legal tender for from one to at the end five dollars.

WHY WAS SILVER DROPPED OUT?

In his speech (House, April 9, 1872, Congressional Globe, pages 2306-2308, volume 102), one of ten columns, by the way, Mr. Hooper, for the committee, said:

SILVER DOLLARS NOT A CIRCULATING COIN.

Section 16 reenacts the provisions of the existing laws defining the silver coins and their weights, respectively, except in relation to the silver dollar, which is reduced in weight from 412; to 364 grains, thus making it a subsidiary

coin in harmony with the silver coins of less denomination to secure its concurrent circulation with them. The silver dollar of 412‡ grains, by reason of its bullion or intrinsic value being greater than its nominal value, long since ceased to be a coin of circulation, and is melted by manufacturers of silverware. It does not circulate now in commercial transactions with any country, and the convenience of these manufacturers in this respect can better be met by supplying small stamped bars of the same standard, avoiding the useless expense of coining the dollar for that purpose.

MR. STOUGHTON SAYS SILVER DOLLAR IS TOO VALUABLE.

On the same day Mr. Stoughton made a speech of seven columns, in which he said (same volume, page 2308):

in which he said (same volume, page 2308):

The silver coins provided for are the dollar (384 grainstroy), the half dollar, quarter dollar, and dime, of the value and weight of one-half, one-quarter, and one-tenth of the dollar, respectively; and they are made a legal tender for all sums not exceeding \$\frac{8}{2}\$ at any one payment. The silver dollar as now issued is worth for bullion 3\frac{1}{2}\$ cents more than the gold dollar, and 7\frac{1}{2}\$ cents more than two half dollars; having a greater intrinsic and nominal value, its certain to be withdrawn from circulation whenever we return to specie payment, and to be used for only manufacture and exportation as bullion.

MR. POTTER DECLARES LEGAL TENDER SHOULD BE GOLD.

Mr. Potter, in discussing this part of the bill, said:

Mr. Potter, in discussing this part of the bill, said:

Mr. Speaker, this is a bill of importance. When it was before the House in the early part of this session I took some objections to it which I am inclined now to think, in view of all the circumstances, were not entirely well founded; but after further reflection I am still convinced that it is a measure which it is hardly worth while for us to adopt at this time.

* * * This bill provides for the making of changes in the legal-tender coin of the country and for substituting as legal-tender coin of only one metal, instead as heretofore, of two. I think myself this would be a wise provision, and that legal-tender coins, except subsidiary coin, should be of gold alone. But why should we legislate on this now, when we are not using either of those metals as a circulating medium?

The bill provides also for a change in respect of the weight and value of the silver dollar, which I think is a subject which, when we come to require legislation about it at all, will demand at our hands very serious consideration, and which, as we are not using such coins for circulation now, seems at this time to be an unnecessary subject about which to legislate. (Page 2310, volume 102.)

MR. KELLEY FAVORS GOLD AS STANDARD AND SILVER AS SUBSIDIARY MONEY.

MR. KELLEY FAVORS GOLD AS STANDARD AND SILVER AS SUBSIDIARY MONEY And Mr. Kelley (who is reported as having said afterwards that a "did not know that the bill omitted the standard silver dollar") said on this same day (Globe, volume 102, page 2316):

I wish to ask the gentleman who has just spoken [Mr. Potter] if he knows of any government in the world which makes its subsidiary coinage of full value? The silver coin of England is 10 per cent below the value of gold coin, and, acting under the advice of the experts of this country and of England and France, Japan has made her silver coinage within the last year 12 per cent below the value of her gold coin, and for this reason it is impossible to retain the double standard. The values of gold and silver continually flucturate. You can not determine this year what will be the relative values of gold and silver next year. They were 15 to 1 a short time ago; they are 16 to 1 now.

Hence all experience has shown that you must have one standard coin which shall be a legal tender for all others, and then you may promote your domestic convenience by having a subsidiary coinage of silver, which shall circulate in all parts of your country as legal tender for a limited amount and be redeemable at its face value by your Government. But, sir, I again call the attention of the House to the fact that the gentlemen who oppose this bill insist upon maintaining a silver dollar worth 3; cents more than the gold dollar and worth 7 cents more than two half dollars, and that so long as those provisions remain you can not keep silver coin in the country.

In another place in the same speech Mr. Kelley said:

Every coin that is not gold is subsidiary. I repeat it, sir. Every coin that is not gold is subsidiary.

SENATOR STEWART DECLARES FOR GOLD.

Speaking on another subject a few months afterwards, Mr. Stew-ART, then as now a Senator from Nevada, said (page 1392, volume 2, part 2, Congressional Record):

I want the standard gold, and no paper money not redeemable in gold.

And about two weeks later, on February 20, 1874, the same gentleman said (same volume, page 1677):

By this process we shall come to a specie basis, and when the laboring man receives a dollar it will have the purchasing power of a dollar, and he will not be called upon to do what is impossible for him or the producing classes to do, figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York; but he will know what his money is worth. Gold is the universal standard of the world. Everybody knows what a dollar in gold is worth.

These are the words of Senator STEWART before he became simply the representative of a special interest.

PUBLIC DISCUSSION OF ACT OF 1873.

It has been charged that very little was said in the public press about this legislation. To this the answer is that in 1873 neither metal was in circulation; and it was also simply a reiteration of what had been a commercial condition for more than twenty years. The bill itself had been before Congress three years; its every provision had been fully discussed; it was finally passed with only the addition of the trade dollar, and there was not much worthy of extended comment. worthy of extended comment.

THE PRODUCTION OF GOLD AND SILVER.

The legislation of 1853 and 1873 was based on commercial conditions which in turn were largely caused by the variation in the output of these two metals, both in the United States and in the world. Let us briefly study these and see why, from 1853 to 1873, and even for a few years afterwards, gold was the more plentiful and cheaper; why, later, the price of silver fell so that the two were on a parity; why it kept on falling to far below this

limit; and finally, why in recent years the change in the ratio of production has tended and still tends strongly to induce the belief that a few years more will see them near the former parity.

GOLD IN THE UNITED STATES.

year 1848 our annual output of gold had never ex-Up to the ceeded a million, except a trifle in two years. In that year its suddenly rose to ten millions (an amount equal to the total annual world product up to 1840); in 1849 to forty millions, and ranged from that figure to sixty-five millions to fifty millions, and ranged from that figure to sixty-five millions up to 1860. Then for five years it ranged from forty to forty-six, and from 1865 to 1870 averaged over fifty millions. For the next five years it averaged under forty, to go to fifty-one millions in 1878, and ranged from thirty in 1883 to \$39,500,000 in 1894. It did not touch the forty-million mark after 1871, except \$51,200,000 in 1878. The recent increase dates from 1892, when it was at the low-water mark of \$33,000,000. In 1893 it went to \$35,900,000. In 1894 it reached \$39,500,000. The product of 1895 has not yet been stated by the Director of the Mint, from whose report all be foregoing figures have been taken, but Mineral Industry, and the foregoing figures have been taken, but Mineral Industry, an authority on such subjects, under date of April 10, 1806, gives the United States gold product as \$46,830,000, or an increase of over seven millions. The Director of the Mint, under date of April 14, 1895, estimates the 1895 product as about \$47,000,000, a substantial agreement with the figures of Mineral Industry.

GOLD IN THE WORLD.

The gold product of the world had averaged for many years before 1840 a little over ten millions per year. In the ten years from 1841 to 1850 this suddenly rose to the then unprecedented figure of \$36,393,000. Not content with this enormous gain, the next five years, 1851 to 1855, showed a product of more than three and a half times as great, \$132,513,000, or the immense support \$662,566,000 for the five years. From 1856 to 1860 it averaged \$124. and a hair times as great, \$132,513,000, or the immense sum of \$662,566,000 for the five years. From 1856 to 1860 it averaged \$134,-083,000; fell off eleven millions in the next five years; rose to \$129,614,000, 1866 to 1870; fell to \$115,577,000, 1871 to 1875; to \$114,-585,000, 1876 to 1880, and to \$99,116,000, 1881 to 1885. This was the gold low-water mark for the world for the past forty years. Since that time it has steadily increased, until for the year 1892 it reached a sum higher than ever before known—to the enormous total of \$146,815,100. For 1893 there was a further increase of nearly eleven millions to \$157,287,600, while the amount for 1894 is twenty-three millions more—to the vast quantity of \$180,626,-100. The estimated output for 1895 is over \$203,000,000; that of 1896 nearly if not quite \$250,000,000, while conservative estimates but the world's cold nearly thin far years to \$200,000,000. put the world's gold product within five years at \$300,000,000 per

COUNTRIES OF INCREASE.

It may be well to see whence this great increase has come. It will also enable us to estimate as to the future. The principal gold producing countries for the year 1894 were, in order and amounts, as

Australasia	
Africa	40, 271, 000
Russia	24, 133, 400
China	8,556,800
Mexico	4,500,000

Total from six countries 158, 722, 000

Of the above, China shows no increase; it and all other nations remain about the same year by year. The recent and future increases are to be found and expected in Africa, Australasia, United States, Russia, and Mexico. These increases have been as follows:

	1893 over 1892.	1894 over 1893.	1895 over 1894.*
United States	\$2,900,000 1,529,600 4,711,500 176,100	\$3,545,000 6,072,200 11,328,500 3,194,700	\$7,330,200 7,000,000 15,000,000 5,000,000 8,000,000
Increase	9,317,200	24, 140, 400	87, 330, 200

* Estimated.

The increase for 1896 over 1895 is estimated by experts to be: United States, \$10,000,000; Australasia, \$10,000,000; Africa, \$20,-000,000; Mexico, \$5,000,000; a total of \$45,000,000.

SILVER IN THE UNITED STATES.

From 1792 to 1834 the product of silver was insignificant; from 1834 to 1844 it is estimated at a total of \$250,000; from 1845 to 1857, both inclusive, it is given as \$50,000 per year. In 1858 it went to \$500,000; 1859, fell to \$100,000; 1860, \$150,000; in 1861 it rose suddenly to \$2,000,000; went to \$4,500,000 for 1862; \$8,500,000 in 1863; and ranged from eleven millions to sixteen millions up to 1871. In that year it reached twenty-three, and varied from twenty-eight to forty-eight millions up to 1885. The demonetization took place in 1873; resumption and the use of coin money took place in 1876. From 1874 to 1884 there was only a slight increase, the highest figure, in 1884, being \$48,800,000. In 1885 it reached \$51,600,000; rose to fifty-three in 1887; to fifty-nine in 1888; to sixty-four in 1880, and touched seventy millions in 1890. In 1891 it went to \$75,417,000; in 1892 it reached the high-water mark—the highest ever known, and from which it is now steadily receding—\$32,101,000, only to fall off in 1898 to \$77,576,000, and to \$64,000,000 in 1804.

COMPARATIVE INCREASE.

From 1874 to 1894 silver increased \$26,700,000; in the same time gold increased a little more than six millions, but there was no appreciable increase in silver until 1885.

SILVER IN THE WORLD.

The annual average coinage value of the silver produced in the world has been, from 1545 to 1761, \$12,450,000 to \$22,162,000. From 1761 to 1860 it ranged from \$19,144,000 to \$37,618,000; 1861 to 1865 it was \$45,772,000; 1866 to 1870, \$55,663,000; 1871 to 1875, \$81,864,000; while from 1876 to 1880 it rose to an annual average of \$101,851,000, and 1881 to 1885 to \$118,955,000. The values for 1886 and 1887 were, respectively, \$120,213,611 and \$126,095,062. It continued to rise steadily some twelve millions per year to 1898, when it was \$214,745,300. The year 1894 only showed a slight advance—a trifle over two millions for that period. As the output in the United States has fallen off thirteen and a half millions from 1893 to 1894, and as the same conditions prevail throughout all the precious and as the same conditions prevail throughout all the precious metal producing countries, it is certain that the returns for 1895 will show a falling off of some \$15,000,000, and that of 1896 of some

COINAGE VS. COMMERCIAL VALUE.

The foregoing figures as to silver, being based on the United States coinage value, are not a true guide as to the actual market value. From 1833 to 1850 the average price of a fine ounce of silver was about \$1.31, or 60 pence. In 1850 and up to 1872 it ranged at about \$1.33, or 61 pence, only touching \$1.36, or 62 pence, in

AVERAGE BULLION VALUE

In 1873 the average bullion value of the silver dollar was \$1.004, making it more valuable than a gold dollar. For 1874 it was 0.988; 1875, 0.964; 1876, 0.894; 1877, 0.929, and has not reached the 0.90 mark since. In 1886 it got into the seventies, rose to 0.81 in 1890, to fall to 0.764 in 1891, to 0.674 in 1892, to 0.603 in 1893, and to 0.491 in 1894.

In 1873 a silver dollar containing 371.25 grains of pure silver would purchase only 369.77 grains of the same silver. The coined value was 1½ grains less than its commercial value. In 1894 this same dollar would purchase 756.04 grains, or twice

itself and 5} grains over.

THE TURN IN THE TIDE.

For the ten months (to October 30) of 1895 this average bullion value had risen from 0.491 to 0.505. This considerable rise is due to the decrease in the output of white and the increase in that of yellow metal during the last two years an increase that is sure to be continued for the next year and to assist in absorbing the surplus of white metal in the world.

WHY WHITE METAL FELL IN VALUE.

Did silver fall, or did gold get scarcer and grow dearer? We have shown that in the United States the gold product held steadily at over thirty and (except in 1872-78) under forty millions from 1874 to 1894; that in the world for this same period it had steadily increased from \$115,577,000 to \$180,626,100. Evidently during this period gold did its full duty and earned the repute of

a metal of stable and sufficient increase in output.

Silver first came to be a factor in the United States in 1861, when \$2,000,000 were produced; in 1864 it was \$11,000,000; in 1874, \$37,300,000; in 1884, \$48,800,000, with from fifty-one to eighty-one

millions per year thereafter.

The world product had gone from an annual average coinage value of \$31,864,000 in 1874 to \$118,955,000 in 1884 and \$216,892,000

From 1874 to 1894 silver did not make nearly so great a proportional gain as did gold from 1841-1850 to 1851-1855.

THE PROPORTION OF METALS.

For three hundred years, 1545-1840, during which time Spain had poured the wealth of her American silver mines into the mar-kets of the world, the general average proportion of the values of kets of the world, the general average proportion of the values of the two metals produced had been about 33 per cent for gold and 67 per cent for silver. From the period 1841-1850, up to that of 1876-1880, this proportion was about 66 per cent for gold and 34 per cent for silver—much greater than the three-century average; from 1881 to 1894 gold was still 44 per cent, while for 1894 it was \$5.6 per cent. It is well to note this average carefully, for, by a strange coincidence, this per cent is exactly the relative proportion of the metallic money of the world which gold has furnished in the four hundred years since 1498. This gold per cent will be even higher than this average for 1895 and 1896.

SILVER COINAGE. KELLEY-BLAND BILLS

In 1876 Mr. Kelley (Pennsylvania) introduced a bill for the coinage of standard (412) grains) dollars and to make them an unlimited legal tender. The same year Mr. Bland (Missouri) introduced a bill for the unlimited issue of Treasury notes in exchange for gold and silver bullion.

Both these measures were considered, and in March, 1877, a commission of Senators and Representatives made a report on the

relations of gold and silver.

relations of gold and silver.

The Kelley bill, as modified and championed by Mr. Bland, passed the House November 5, 1877. It provided, with the Bland amendment, for the free and unlimited coinage of 412½-grain dollars, and made these an unlimited legal tender except where otherwise specified by contract.

BLAND-ALLISON ACT.

The Kelley-Bland bill was modified in the Senate and became known as the Bland-Allison bill. As modified in the Senate and as finally passed it restricted the coinage to the four millions per month which the Secretary of the Treasury was to purchase, and it gave to the public Treasury the seigniorage or profit on these purchases and coinages. The silver thus to be coined was made an unlimited legal tender except for certificates of deposit of gold and silver bullion under the act of 1863 and in cases where other money had been stipulated by contract. Section 3 authorized the deposit of these dollars and the issuance of (silver) certificates therefor. It became a law over the President's veto February 28,

BLAND AND CONGER BILLS.

In 1886 Mr. Bland again introduced a bill for the free and unlimited coinage of silver—that is, giving to the mine owner and bullion producer the whole profit of the seigniorage or difference between the actual cost and the legal-tender value of the dollar when coined.

Mr. Conger introduced another bill, embodying the views of Secretary Windom, allowing owners of silver to deposit it and re-ceive Treasury notes to the amount of its then market value, these to be redeemed when presented at its then value

THE SHERMAN LAW OF 18

The Conger bill, as modified, was finally passed and became a

law July 14, 1890, and is known as the Sherman law.

It directed the purchase of 4,500,000 fine ounces of silver each month at not to exceed \$1 for 371.25 grains of pure silver, and to issue Treasury notes therefor. These notes were to be redeemable on demand, in coin, and could be reissued. They were made legal tender for all debts public or private except where otherwise on cenand, in coin, and coind be ressuled. They were made legisle tender for all debts, public or private, except where otherwise expressly stipulated, and for customs, taxes, etc., and when so received could be reissued. They could also be counted as part of the lawful money reserve of national banks. The act further provided that upon demand of holder the Secretary of the Treas provided that upon demand of holder the Secretary of the Treasury should redeem such notes in gold or silver, at his discretion, it being (says the act) the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio or such ratio as may be provided by law.

Section 3 provided for the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000 per month; after that date as much as needed to redeem Treasure actions of the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per month; and the coinage until July 1, 1891, of \$2,000 per

ury notes issued under this act.

Any gain or seigniorage arising from such coinage was to be accounted for and paid into the Treasury.

WHAT IS GAIN OR SEIGNIORAGE? The Bland bill as it passed the House November 5, 1877 (it did not become a law), allowed any owner of silver bullion to deposit not become a law), allowed any owner of silver bullion to deposit it and receive for every \$71.25 grains of pure silver (412½ grains of standard silver) a coined dollar which should be an unlimited legal tender. He was only to pay the half per cent mint charge for this great privilege. All the profit in this transaction was to go, not to the Government, not to the people through the Government, but to the mine owner, the bullion producer. In 1886 Mr. Bland introduced another bill with the same provisions. Mr. Plumb's amendment to the Conger bill, adopted by the Senate June 10, but which also failed to become a law, had the same provisions. visions

All three of these were in the direct interest and to the sole advantage of the mine owners. All profits or gains in the business went not to the Government to help lighten the burden of the people, but for the profit and gain of a particular class.

PROFITS OF SEIGNIORAGE

Let us see what these profits were. Under free coinage, on an average in 1878 bullion worth 89.1 cents when deposited by the mine owner would have entitled him to have received from the mint a legal-tender dollar worth 100 cents in silver or in gold. He would have made a net profit, not counting the small charge for coinage, of 10 cents, a profit gained at the expense of the whole

In 1886 this same bullion was worth only 76.9 cents, giving to this same class a net profit of 23 cents and making a net cost to

all the people of 23 cents for the inestimable privilege of allowing the mine owners the chance of using the Government and people of these United States as a stalking horse. It would make their dollars cheaper to the mine owners, of course. How would it help those who had to buy these same silver dollars by the sweat of their brows and at the full price of 100 cents on the dollar?

their brows and at the full price of 100 cents on the dollar?
Had this provision, so beneficent to the mine owner, been in operation in 1894, the dear people would have been giving the mining men a 100-cent dollar coined for silver bullion which had cost the same mining people just 49.1 cents. The people of these United States may be lying awake of nights sighing for more silver, which, by the way, they will not accept when given them if they can help it, preferring the paper equivalent, but they should not be compelled to subsidize any class of our citizens, however meritorious they may be, to the extent of taking 49 cents worth of silver and stamping it a dollar and handing it back to them. This may, indeed, make more money, but it makes it into the wrong pockets, into the pockets of the mine owners, from which the people will have to get them out by a well-known system of purchase at full price.

WHAT FREE COINAGE WOULD HAVE COST.

Let us calculate the result of such financial legislation; let us see what it would have cost the people of these United States to have given the free coinage at the dates stated.

In 1878 the average cost of silver bullion, enough to make a standard silver dollar, was 89 cents. In that year we coined 22,495,530 of these dollars. At 11 cents on the dollar it would have cost the country just \$2,474,510.50 to have thus accommodated the silver-mining interests of the country.

In 1886 we coined 31,423,886 of these dollars out of bullion which

In 1896 we coined 31,423,886 of these dollars out of bullion which cost only 77 cents for each coined dollar, and which, had this been done under the free-coinage provisions, would have cost the people the considerable sum of \$7,227,493.78, and which would have been a direct contribution on the part of Congress of the public funds to the profits of the silver-producing interests of the country. A more monstrous instance of attempted diversion of public money was never attempted.

THE SHERMAN LAW.

Under the operation of the Sherman law of 1890 it was found that the Government was purchasing 54,000,000 ounces of silver per year, or nearly all that was produced in the United States. This silver was stored in the Treasury vaults, and Treasury notes issued for the same, which were redeemable in gold on demand. It can be readily seen that it would be only a question of time when the Government would be obliged to suspend gold payments and reach a silver basis if this was continued.

REPEAL OF THE SHERMAN LAW.

At a special session of the Fifty-third Congress, called in August, 1893, after a long and spirited debate, the so-called Sherman law, on November 1, was repealed.

AMOUNT OF SILVER IN USE AS MONEY.

There is a widespread misunderstanding as to the actual amount of silver in use as money by the Government. At the present time there is coined in the shape of silver dollars, either in the vaults or in circulation, silver bullion deposited to secure Treasury notes, and subsidiary silver, the enormous amount of \$627,-925,632, all of which is in actual use as money. The total amount of gold in use in the United States is \$618,875,157; of greenbacks, \$346,681,016. So it will be seen that there is more silver in use than any other kind of money, and I believe it would be greatly to the interest of the Government and of the people if all paper money under \$5 could be retired and the silver dollar put in its place to do its work, instead of being stored in the Government vaults. This is the case in France, Germany, and England, where but very little, if any, paper or gold can be found of a less denomination than £1 in England, 20 marks in Germany, and 20 francs in France, practically approximating \$5 of American money.

THE GOVERNMENT DEST.

Now, Mr. Speaker, before closing, I wish to call the attention of the House to a few hard facts. Under Republican tariff laws, during the period from the 1st of September, 1865, up to the time President Cleveland was inaugurated in 1893—twenty-seven and one-half years—the Government debt and obligations were reduced \$1,881,367,873, or an average of \$63,632,000 per year. The per capita debt in 1865 was \$78; in 1893 it had been reduced to \$12.55. This is certainly a fair showing, for it covers the whole period from the close of the war until the Democrats secured full control of all branches of the Government. Notice the great difference between the financial policies of the two parties. Since the 1st of March, 1898, until the 1st of March, 1896—a period of three years—the interest-bearing debt has increased \$260,000,000, or an average of nearly \$87,000,000 per year under a Republican Administration for the previous twenty-seven years.

DEMOCRATIC ADMISSION OF DEFICIENCY.

Mr. DOCKERY, an eminent light of Democracy, member of the Committee on Appropriations, in the House, April 29, 1896 (RECORD, page 4971), makes the following statement:

Mr. Speaker, I desire to make a simple statement to the House. For the fiscal year ended June 30, 1894, the revenues of the Government failed to meet current expenses by \$89,881,290,58. During the last fiscal year the current income was inadequate to meet current liabilities by \$42,865,233.18, and it is now estimated that the deficiency in current revenues for the present fiscal year will be not less than \$25,090,000.

These are facts and official figures, and it would seem to me that comment is unnecessary.

FREE COUNAGE OF SILVER.

The time has come, I think, Mr. Speaker, when the Republican party should set its face firmly against the free coinage of silver, except by international agreement. I have been willing to do all in my power to maintain as large an amount of silver as possible in circulation, and the figures I have given are proof conclusive that the Republican party has done its full duty, and reached the limit so far as the free coinage of silver is concerned, and in the coming campaign it should be true to its past record for honest money, and give the great financial enterprises and financial institutions the stability that can only be reached by a firm declaration against a debased currency. Under present conditions the opening of our mints to free coinage is an impossibility. It means ruin and bankruptcy to many millions of people.

LET THE WHEELS OF PROGRESS MOVE.

Now, Mr. Speaker, we have but lately witnessed the spectacle of certain advocates of free silver in the upper House of this Congress allying with Democrats and Populists, and taking the great industrial interests of this country by the throat, and saying to 70,000,000 people that there shall be no financial legislation, no tariff legislation, until silver is recognized, or, in other words, until the mints are opened to the free coinage of silver. There can be but one answer, Mr. Speaker, to such a proposition as this, and I believe at the polls in the coming election the people will rise in their might and demand that the advocates of this interest shall no longer bar the wheels of progress or prevent the Fifty-fifth Congress from enacting such wise protective tariff laws as will not only furnish ample revenue for the needs of the Government, but protection to all the great agricultural, laboring, and industrial interests.

SUMMARY.

I have endeavored, Mr. Speaker, in these few remarks to give a history of the finances of this Government since the war, also showing the production of silver and gold for the past three hundred and fifty years, believing that the enormous production of silver during the past ten years has had much to do with its present bullion value, and also believing, Mr. Speaker, that the great increase in the production of gold and decrease in the production of silver since 1892, if continued for a few years, will do much to bring these metals more nearly together in bullion value.

Bankruptcy, Its Cause and Remedy—The Silver Party, Causes of its Creation and Growth—Plan of Organization.

SPEECH

OF

HON. FRANCIS G. NEWLANDS,

OF NEVADA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 29, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 810) to establish a uniform law on the subject of bankruptcies throughout the United States—

Mr. NEWLANDS said:

Mr. CHAIRMAN: I am in favor of the provisions of this bill which relate to voluntary bankruptcy and I am opposed to those which relate to involuntary bankruptcy. I am in favor of the provisions relating to voluntary bankruptcy because they are in favor of the debtor. I am opposed to the provisions relating to involuntary bankruptcy because they are in favor of the creditor, and in my judgment, the legislation of the past twenty years having been in favor of the creditor and against the debtor, in favor of increasing the value of that which the debtor has to pay and of diminishing the value of that which he sells for the purpose of payment, it is now time that there should be some legislation directed to the relief of the debtors of the country and of them alone.

We have all observed the difference between the treatment of corporate and individual debtors within the past three years of distress. We have observed corporations going into the hands of

receivers, their property protected, their income diverted into betterments instead of being absorbed in interest payments, and we have seen plans of reorganization inaugurated and carried out,

have seen plans of reorganization inaugurated and carried out, debts scaled, both in principal and interest, and extended as to time, thus relieving the ultimate owners of the property.

Have there been any such methods of relief for individual debtors? No. The stockholders in a corporation are protected by reorganization, by scaling of debts, by scaling of interest, by extension of time; but no such relief is offered to the individual debtors. sion of time; but no such relief is offered to the individual debtors. On the contrary, their difficulties multiply as distress increases. Every expedient of obtaining money is resorted to, interest increases, heavy commissions for loans are paid, extensions of time are denied, income diminishes, until finally, overwhelmed by attachments, and foreclosures, they are driven to the wall and compelled to surrender all. It seems to me it is our duty to insist that they shall at all events be free from a mortgage on the future, on the courage, the enterprise, and the energy which may enable them to rebuild their shattered fortunes.

CAUSES OF BANKRUPTCY.

Now, Mr. Chairman, we are to devote three or four days to the consideration of a bill intended for the relief of the bankrupts of the country. How is it that so much time is devoted to the relief of these people thus compelled to surrender everything, while so of these people thus compelled to surrender everything, while so little time has been given by this House to the consideration of the causes which have led the country into bankruptcy, of the causes which have involved loss and destruction to so many of the enterprising, the industrious, and the energetic of our country? How is it that industrial and financial measures have had so little time. time allotted for consideration, while this measure, merely palliative in its character, merely intended for the relief of the unfortunate after all is gone, is to have four or five days devoted to its discussion and consideration? With the indulgence of the House, I propose to devote the few minutes allotted to me not so much to the details of this bill as to the consideration of the causes which have breakt the distract revenilism in this course. which have brought about the distress prevailing in this country and increasing in severity every day and every hour; causes which thus far have received but little consideration in debate because of the limited time thus far given to the financial and tariff legislation of this House

DISTRESS IN SOUTH AND WEST.

Where is this distress located? We find it mainly in the West and the South. Take a railroad map of the country—mark the railroad lines in the hands of receivers, comprising about one-third of the railroad mileage of the country, railroads whose conditions sympathize with those of their patrons, and you will find the area of distress not in the New England or the Middle States, the seat of the protected industries of the country, but you will find it in the mining States, in the wheat-growing region, and in the cotton-growing region. And no better test of the prosperity or distress of a section can be found than the condition of its railroads which transport the things produced and consumed by the communities

through which they pass.

And what is the cause of the distress in this vast area? It is found in the destruction of the mining industry of the far West and the decline of the wheat-growing industry of the West and the cotton-growing industry of the South.

In six States and three Territories the silver-mining industry is the basic industry on which commerce, agriculture, banking, and transportation depend, just as coal mining and iron mining are the basic industries of Pennsylvania. That industry has been destroyed by brutal legislation, and consequently all the dependent and correlated occupations and industries in that region suffer and almost its entire sailroad system is in the hands of receivers. and almost its entire railroad system is in the hands of receivers.

And so it is with the vast wheat-growing region. The price of their product has steadily declined from \$1.25 a bushel to 65 cents a bushel. The price of that product has steadily fallen in the scale with the price of the ounce of silver, and so every dependent and correlated industry in that region suffers and its railroads are in the hands of receivers. And so it is with the cotton-growing region, the price of whose product, on which all other values in that region depend, has also declined pari passu with the fall in the price of the ounce of silver.

CAUSED BY ORIENTAL COMPETITION.

And to what is this due? To competition with the oriental countries, to competition with the silver-standard countries, a countries, to competition with the silver-standard countries, a competition from which the favored regions of this country, the New England and the Middle States, have thus far been protected by a tariff wall of from 50 to 60 per cent. Where domestic products are exported the price of the exportable surplus fixes the price of the whole, and hence our wheat growers and cotton producers are compelled to accept for the domestic product the price of the exportable surplus. The price of wheat and cotton in the Liverpool market is the price here, differences in transportation being adjusted. What competitors have these wheat and cotton growing regions in the Liverpool market? The silver-standard countries, whose wages, always phenomenally low, are made

doubly low in terms of gold by the constant depreciation of silver, or, rather, appreciation of gold. Silver there is worth as much as it ever was. In the silver standard countries the ounce of silver will buy as much of human labor or of the products of human ver will buy as much of human labor or of the products of human labor as it ever would. So that you find this condition of things: That as the ounce of silver buys as much of wheat or of cotton in those silver-standard countries as it ever would, the price of the ounce of silver in terms of gold fixes the gold price of our wheat and cotton; and hence the gold prices of our wheat and cotton have steadily declined as the gold price of the ounce of silver has declined. And so it is that the wheat and cotton producing regions traversed by these railroads which have been driven into the hands of receivers have been struggling with adversity for twenty years, until entire communities are bankrupt and attachments, sales, and forclosures take the place of enterprise. ments, sales, and foreclosures take the place of enterprise

And, gentlemen of the Eastern States, what danger threatens your region? Are you prepared to invite the competition of these silver-standard countries with the manufacturing industries of the New England and Middle States? Thus far the generosity of the country has given you a tariff law which has protected you against the cheap labor of Europe; but recollect you are about to contend with oriental labor, always exceptionally low, and now made doubly low by the decline in the gold price of silver. Do you not think that you are also interested in raising the price of silver, so as to increase the labor cost of silver-standard countries, whose manufactured products are now threatening to invade the MENACE TO MANUFACTURING STATI whose manufactured products are now threatening to invade the country and to displace your own? And can you devise any way of increasing the price of silver except by increasing its use? So that you have not simply present conditions to meet—conditions brought about by the gradual paralysis of the wheat-growing, the cotton-growing, and the silver-mining industries of this country, covering a vast area, but you are about to meet a paralysis caused by the corporation of those very countries in the paralysis caused by the competition of those very countries in the production of manufactured goods. Your very financial policy, which refuses to use silver, which refuses to extend its use or to give it the value in relation to gold that it ought to have, is building up for the protected industries of New England and the Mid-States a competitor whose products will slip in over any tariff wall which you may erect.

wall which you may erect.

SILVER PARTY OF NEVADA.

My friend from Iowa asked us to avoid the discussion of party politics in the consideration of this bill. That is always my disposition. I stand here the single representative on this floor of the party to which I belong—the Silver party. I have no party organization associated with me; there is no one with whom I can consult except through that sympathetic interest which all friends of silver of whatever party feel in this burning question. But so far as I may devote myself to the economic consideration of this question, I do not propose to shrink from its just treatment, though it may involve the arraignment of both the old parties of the country, for they have stood together as twin brothers in all financial legislation, and are jointly responsible for the prevailing distress.

legislation, and are jointly responsible for the prevailing distress.

I wish to say, Mr. Chairman, that when Mr. Cleveland was first elected President I voted for him. He stood upon a platform which recognized silver as standard money, before that question had reached the prominence which it has since reached in this country. When renominated, on a platform which, for the dieston had reached the prominence which are the direction that country. When renominated, on a platform which, for the first time in the history of the Democratic party since the demonstization act of 1873, was absolutely silent upon the silver question, I refused to vote for him and cast my vote for Benjamin Harrison, who stood on a platform which declared for the use of both gold and silver as standard money and condemned the course of the Cleveland Administration in opposing the rehabilitation of

Harrison was elected President of the United States, receiving the support of the silver men who were in the Republican party and of many silver men who were Democrats, because he was supposed to favor the restoration of bimetallism; but the gold combination triumphed, for he early manifested hostility to free coinage, and fear of a veto was used to deter silver Republicans. from passing a free-coinage bill and induced them to accept a compromise measure known as the Sherman law in its stead, a law whose beneficial operation was defeated by every effort of a hostile Administration acting in conjunction with England to depress instead of advance the price of silver.

Four years after that, when Benjamin Harrison and Grover Cleveland were both candidates on platforms opposed on the tariff question but almost identical on the money question, insincere declarations for bimetallism, coupled with "ifs" and "provisos" which made the mintage of silver in this country impossible, hypocritical professions intended to deceive the voters as to the great question which was then confronting the country, a mining congress, over which I had the honor to preside, met at Helena, Mont., a mining congress in which six States and three Territories were represented, composed of leading Republicans and

INDEPENDENT ELECTORS

Democrats in that section, the peers of the citizens of any State in this Union in business capacity, courage, ability, and patriotism, and after long debate and deliberation that congress almost unanimously, by a vote of 264 to 27, declared that it was the duty of every man in that section who was devoted to the cause of bimetallism to repudiate both the candidates and the platforms of both the old parties and to unite in support of independent candidates for the electoral college who would be in a position to represent the principles approved by the conscience and judgment of the people of that section of the country. This was not the action of Populists, bent upon numerous reforms of our governmental and social organization, but the calm, deliberate, united judgment of conservative men who had differed on the lines of the old parties for years, and who, being hopeless of relief within their respective parties, declared for united action in the solution of what they regarded as the paramount issue of the day.

Their hope was that the independent electors of the mining States, united with Populist electors of the agricultural States, States, united with Populist electors of the agricultural states, would hold the balance of power in the electoral college, and either force concessions there or throw the election into the House of Representatives. At that election every mining State, if my memory serves me right, declared against the Republican party, to which, previously, all had been attached, and the independent and Populist electors together numbered nearly 30, sufficient under ordinary circumstances to hold the balance of power, but the over-whelming and unexpected victory which Cleveland gained in West-ern States hitherto Republican made our effort for independent ern States intherto deputions in made out that the electors futile. So far as the State of Nevada was concerned, it remained true to the instructions of the Helena mining congress. Independent electors, nominated by the silver leagues, were ratified. by both the Democratic and Republican State conventions, and were elected by a vote aggregating three-fourths of the voters of the State. From this action grew the silver party of Nevada, which elected me to Congress in 1892 over Democratic and Republican competitors, and again in 1894 over Democratic, Republican, and Populist competitors, who substantially pooled their vote against me. We there realized the advantage of uniting the sil-

against me. We there realized the advantage of uniting the silver vote on a platform devoted to the issue of silver, and in an organization whose name indicated its basic principle.

I trust and believe that the silver men of the United States will take lesson from that small State and learn the importance of effecting an organization that will not be embarrassed by the memory of old-party dissensions or weighted down by party mistakes

ory of old-party dissensions or weighted down by party mistakes or divided in its purpose by attempt at governmental and social reforms whose advocacy will repel as many as it attracts.

You will observe that the year 1892—often referred to by the members from the manufacturing States of the Union as the flood tide of a prosperity attributed to the McKinley Act—was a year of restlessness in the agricultural and mining States of the West, which resulted in a revolt against and the defeat of the Republican party. Why was this? Simply because the McKinley Act, while it protected the manufacturing States against the cheap labor of Europe, afforded no protection to the agricultural States against the competition of the cheap labor of oriental and silver-standard countries, whose efficiency in the production of food products was doubled by the low price of silver. The only protective act which could affect the agricultural States was a free-coinage bill, increasing the use and thus raising the price of silver; and so the Western and mining States swung away from the Republican party, as they will do again at the coming election. Part swung into the Democratic camp, part into the Populist camp, and Nevada swung into the Silver party camp.

The latter party alone shows signs of increasing strength.

has grown until now it promises to unite all the friends of silver in the Republican, Democratic, and Populist parties. The people who desire the restoration of the money of the Con-stitution, regardless of past differences, will be united at the coming election. Four years of bankruptcy and suffering have been instructive, and there is abundant evidence that the lesson taught by Nevada four years ago will become epidemic this year, and that States enough to give a majority in the electoral college will follow the example we set for them.

On the 22d and 23d of last January there assembled in the city of Washington a representative body of men, representing the productive forces and business interests of nearly every State and Territory in this Union. The result of the deliberations of that great conference was the inauguration of a new political movement, having for its object the unification of the silver forces of the country regardless of former political affiliations. It put forth an address to the people of the United States reciting the causes that were bankrupting enterprise, starving labor, threatening the homes of our people, and planting the seeds of social discord and revolution, and proclaimed a platform upon which all patriotic men could unite to bring back conditions of social order and progress and restore the rule of the people.

They called a national convention to meet in the city of St. ORGANIZATION OF THE NATIONAL SILVER PARTY

They called a national convention to meet in the city of St.

Louis on the 22d of July, at the same time and place that the Populist party had already named for the holding of their convention, the dates of both of which conventions were fixed at a later day than those set for the conventions of the two old parties in order that the earnest bimetallists of all parties might have an oppor-tunity to unite and make effective their votes in the selection of a President of the United States who would represent the producing forces of the land and not the gold combination, as the candidates of the Democratic and Republican parties were likely to do.

A provisional national committee was appointed, and the work

of organization has been started and is under good headway at the present time in four-fifths of the States of the Union.

As the sole representative in this body of the platform and principles enunciated by that great conference, having been twice elected upon that issue alone, I call your attention to the proceed-ings of that conference, as reported by its officers, and lay before this House and the country the principles of the American Silver organization, the address of the chairman of its national committee, and its plan of organization:

A CALL TO ACTION-THE SILVER CONFERENCE HELD AT WASHINGTON, D. C. JANUARY 21 AND 23, 1896, DECLARES FOR INDEPENDENT POLITICAL ACTION AND CALLS A NATIONAL CONVENTION AT ST. LOUIS, MO., JULY 22, 1896—PROCEEDINGS OF THE CONFERENCE AND ADDRESS OF THE CHAIRMAN OF THE NATIONAL COMMITTEE.

[Issued by the Provisional National Committee, room 83, Corcoran Building, Washington, D. C.]

A conference of bimetallists was held at Washington, D. C., on January 22 and 23, in response to the following call:

"Merican Bimerallic League, "Washington, D. C., on January 22

"Mashington, D. C., January 1, 1896.

"Dear Sir: In pursuance of a resolution of the executive committee of the American Bimetallic League, adopted November 20, 1895, a copy of which is herewith inclosed, a conference of well-known and active advocates of the cause of independent bimetallism in the United States, who are prepared now to place the cause above party and to join in an independent movement to secure the restoration of the constitutional standard of gold and silver by the free coinage of both metals at the existing ratio, will be held at the Sun Building, Washington, D. C. January 22, 1896. The object of the conference is to deliberate on the situation at that time and to arrange for holding a national convention to nominate candidates for President and Vice-President, and for conducting a national campaign on the above issue. Recent events, it is believed, make such a conference more important than when the inclosed resolution was passed. You are respectfully invited to attend this conference and participate in its deliberations.

"Yery truly, yours,"

"A. J. WARNER,
"President American Bimetallic League,
"H. G. MILLER,
"Chairman National Silver Committee,
"R. C. CHAMBERS,
"President National Bimetallic Union,
"J. M. DEVINE,
"Secretary American Bimetallic League,"

Every State in the Union was represented, and the proceedings were har-

Every State in the Union was represented, and the proceedings were harmonious throughout.

The speeches with which the proceedings were interspersed were of a high order of ability and dignified in tone, as befitted the momentous character of the question under consideration.

The committee on resolutions and address consisted of the following-named gentlemen:

Senator John P. Jones, chairman.

Joseph Sheldon, of Connecticut.

J. H. Lorimer, of Pennsylvania.

Hon. J. L. McLaurin, of South Carolina.

H. F. Bartine, of Chicago, Ill.

Gen. A. J. Warner was subsequently added to the committee.

The committee reported the following:

RESOLUTIONS AND ADDRESS TO THE PEOPLE OF THE UNITED STATES.

The committee reported the following:

RESOLUTIONS AND ADDRESS TO THE PEOPLE OF THE UNITED STATES.

The paramount issue at this time in the United States is indisputably the money question. It is between the gold standard, gold bonds, and bank currency on the one side and the bimetallic standard, no bonds, and Government currency on the other.

On this issue we declare ourselves to be in favor of a distinctively American financial system. We are unalterably opposed to the single gold standard and demand the immediate return to the constitutional standard of gold and silver by the restoration by this Government, independently of any foreign power, of the unrestricted coinage of both gold and silver into standard money at the ratio of 16 to 1, and upon terms of exact equality as they existed prior to 1873, the silver coin to be a full legal tender equally with gold for all debts and dues, public and private.

We hold that the power to control and regulate a paper currency is inseparable from the power to coin money; and hence that all currency intended to circulate as money should be issued and its volume controlled by the General Government only, and should be legal tender.

We are unalterably opposed to the issue by the United States of interest bearing bonds in time of peace, and we denounce as a blunder worse than a crime the present Treasury policy, concurred in by a Republican House, of plunging the country in debt by hundreds of millions in the vain attempt to maintain the gold standard by borrowing gold; and we demand the payment of all coin obligations of the United States, as provided by existing laws, in either gold or silver coin, at the option of the Government, and not at the option of the creditor.

And whereas the demonetization of silver in 1873 enormously increased the demand for gold, enhancing its purchasing power and lowering all prices measured by that standard; and

Whereas since that unjust and indefensible act the prices of American products have failen upon an average nearly 50 per cent,

Whereas in the effort to maintain the gold standard the country has within the last eighteen months, in a time of profound peace and plenty, been loaded down with \$162,00,000 of additional interest-bearing debt under such circumstances as to allow a syndicate of native and foreign bankers to realize a net profit of \$16,00,000,000, which, but for an outburst of popular indignation, would also have been negotiated in the same secret manuer and through the same syndicate; and Whereas it stands confessed that the gold standard can only be upheld by so depleting our paper currency as to force the prices of our products below the European and even below the Asiatic level, in order that we may sell in oreign markets, thus aggravating the very evils of which our people so hitterly complate, degrading American labor, and striking at the foundations of our civilization itself; and.

Whereas the advocates of the gold standard persistently claim that the real cause of our distress is overproduction—that we have produced so much that it made us poor—which implies that the true remedy is to close the factory, abandon the farm, and throw a multitude of people out of employment, a doctrine that leaves us absolutely without hope for the future; and

Whereas the difference of exchange between silver-standard countries and gold standard countries is equivalent to a bounty equal to the difference and gold standard countries exported to gold-standard countries, and a corresponding tarificagainst the products of gold-standard countries, and a corresponding tarificagainst the products of gold-standard countries, and a corresponding tarificagainst the products of gold-standard countries, and a corresponding tarificagainst the products of gold-standard countries accorded to silver-standard countries; and

Whereas the cost of production otherwise in the Old World, and particularly

countries exported to gold-standard countries, and a corresponding tariff against the products of gold-standard countries, and a corresponding tariff against the products of gold-standard countries exported to silver-using countries; and

Whereas the cost of production otherwise in the Old World, and particularly in China and Japan, is far less than the cost at which similar products can be produced or manufactured in this country by American labor without reducing our farmers, miners, mechanics, manufacturers, and other industrial workers to the level of Chinese coolies: Therefore

Be it resolved, That over and above all other questions of policy we are in favor of restoring to the people of the United States the time-honored money of the Constitution—gold and silver, not one, but both—the money of Washington, and Hamilton, and Jefferson, and Monroe, and Jackson, and Lincoln, to the end that the American debtor pays his just obligations in an honest standard and not in a standard that is appreciated 100 per cent above all the great staples of our country; and to the end, further, that silver-standard countries may be deprived of the unjust advantage they now enjoy in the difference in exchange between gold and silver—an advantage which tariff legislation alone can not overcome.

We therefore confidently appeal to the people of the United States to leave in abeyance for the moment all other questions, however important and even momentous they may appeer, to sunder, if need be, all former party ties and affiliations and unite in one supreme effort to free themselves and their children from the domination of the money power—a power more destructive than any which has ever been fastened upon the civilized men of any race or in any age. And upon the consummation of our desires and efforts we invoke the gracious favor of Divine Providence.

The address was read by Senator Jones, and never did he appear to better advantage. He seemed inspired by the occasion, and the clear-cut, epigrammatic sentences fell from his lips with splendid effect. Every clause was applauded, and at the cleas of the reading the whole conference rose as one man and oheered with the wifidest enthusiasm.

Among other things, he said: "You will either be redeemed and disentialled and the twentieth century will either be opened with a wave of prosperity or we will gradually go down to slavery. It is a question whether the poorhouses shall be turned into factories or the factories shall be turned into poorhouses."

the poor reduces."

Without the change of a word the address was adopted, and upon motion of ex-Congressman Hatch, of Missouri, the thanks of the conference were extended to the chairman and members of the committee for the "magnifi-

ORGANIZATION.

Immediately after the reading of the address came the report of the committee on organization, which committee consisted of the following: Senator William M. Stewart, of Nevada; I. L. Johnson, of Virginia; Richard McIntosh, of Utah; I. N. Stevens, of Colorado, and C. J. Hillyer, of Washington, D. C. The report was as follows: "That a convention of the qualified voters of the United States who believe in the principles this day enunciated by this conference, and who are willing to subordinate party allegiance and fealty to those principles, and to support the nominees of the national convention provided for by this conference, shall be held at the city of St. Louis, Mo., on the 22d day of July, A. D. 188a, at the hour of 12 o'clock noon." That the apportionment to such convention shall be one delegate for each Senator and Representative in the United States Congress from the several States and one delegate for each Delegate in Congress from the several Territories, and additional delegates for the several States and Territories based upon the silver strength as ascertained from the American Bimetallic Union.

"The number of delegates apportioned to each State and Territory shall be as follows:

Alabama	40 1	New Hampshire	6
Arizona	6	New Jersey	12
Arkansas		New York	
California		North Carolina	70
Colorado		North Dakota	10
Connecticut.			10
		Ohio	90
Delaware		Oregon	37
Florida		Oklahoma	10
Georgia		Pennsylvania	45
Idaho		Rhode Island	8
Illinois.	50	South Dakota	15
Indiana	40	South Carolina	35
lows.	35	Tennessee	24
Kansas			70
Kentucky		Vermont	8
Louisiana		Virginia	40
Maine		Washington	17
Maryland	0	West Virginia	19
Massachusetts	91	Wisconsin	35
Michigan	99	Wyoming	10
Minnesota.		New Mexico	
Mississippi	23	Utah	20
Missouri	45	District of Columbia	4
Montana	18	Indian Territory	5
Nebraska	. 51	Alaska	2
Nevada			

"That this conference appoint a provisional national committee, consisting of one member from each State and Territory, said committee to possess all powers usually possessed by national committees of political parties; said committee to serve until the holding of said national convention; said committee, or the portion thereof appointed by this conference, shall have full

power to fill all vacancies, whether from the failure of this conference to appoint a full committee or from death, resignation, or otherwise; said committee shall select its own officers and adopt rules for its own governent; said committee shall have its headquarters in the city of Washington, D. C. "The mode of selecting delegates to add national convention shall be as prescribed by the national committee, subject to the following regulations:

"All delegates shall be elected at public conventions, or at public meetings, to be held either in the several States at large or in the several counties or districts of such States as the national committee may prescribe.

"No person shall be eligible as a delegate to any such convention or meeting, or shall sit as a delegate in said national convention, who is not in favor of the declaration of principles this day enunciated by this conference and who is not willing to subordinate party allegiance to the advancement of such principles and to support the nominees of said convention.

"The national committee shall proceed at once to organize the several States and Tenritories for the success of this movement."

A provisional national committee was selected by the conference as chair man of the provisional national committee.

Jr. J. J. Mott, of North Carolina, was selected by the conference as chair man of the provisional national committee.

A finance committee was also appointed. The executive committee elected I. I. Johnson, of Virginia, as its treasurer.

Headquarters have been opened in the Corcoran Building, Washington, D. C., and the work of organization preparatory for the national convention actively begun.

All correspondence relative to the work of organization for the great political battle this year, to redeem our country from the rule of an alien gold power, should be addressed to

J. J. MOTT, Chairman National Committee, 83 Corcoran Building, Washington, D. C.

AN ADDRESS BY THE CHAIRMAN OF THE NATIONAL COMMITTEE.

As chairman of the national committee appointed by the silver conference lately assembled in Washington City to organize the silver forces in these United States in the battle which is to take place for the possession of the Government this year, it is thought proper that I should make some statement to the people in reference to it.

As the necessity of money as a medium of exchange became revealed to the minds of men, the two metals finally accepted as the most suitable for money were silver and gold. This was natural, because they were the two most precious metals adapted to the purpose, and were sufficiently limited in quantity.

As mining has developed the fact that these two metals existed in the earth in almost certain proportions, a natural ratio of value was assumed. This ratio has continued as arranged by man under the natural order as he found it. It was accepted by mankind as a part of the grand plan upon which the world was to move, and approved by the philosophy and common sense of all ages.

world was to move, and approved by the philosophy and common sense of all ages.

From this condition of regular order and contentment, contributing to, and the general betterment of the human race, this country and the world has been ruthlessly torn.

It has been done by the rejection of one of the precious metals in the interest of greed, and by this act the money changers have been enthroned and the narrowing of the scope of monetization begun. As monetization has been narrowed money has become scarcer in proportion, and as money became scarcer prices fell in proportion, and falling prices have been the bane of this world.

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est of greed, and by this act the money changers have been enthroned and the narrowing of the scope of monetization begun. As monetization has been narrowed money has become scarcer in proportion, and as money became scarcer prices fell in proportion, and falling prices have been the bane of this world.

It was predicted after the demonetization of silver that great suffering would follow. This suffering is already here. From a contraction of the currency we are now in the throes of one of these desperate stages of human experience—a period of heartache, canker, and sleepless nights as the foundations of prices have crumbled. Obligations resting upon the supposed firm foundation of a price in ready money have crumbled into dirt as the foundation of the price has crumbled. The country is confronted by a grave emergency. Further theorizing is futile. The agitation of the money question must be settled by peaceful methods that will give practical results.

Long, patient, and dispassionate reflection has convinced me that an independent American financial system is absolutely necessary to the restoration of national prosperity and the establishment of commercial conditions in this country that will give the common people, the agricultural and laboring classes, an equal show with capital and concentrated wealth. How can it be effected? Can it be done through either the Republican or Democratic party as now constituted? No. Both organizations are under the blighting influence of the Eastern money power. The record of every national convention of both parties for years is plain proof of the assertion. The legislation of both parties for years is plain proof of the assertion.

What, then, is to be done? As patriots, as Americans who are for America against the world, what is our first and controlling duty in this crisis? Shall we longer submit to the academic discussion or what bimetallism means? Shan it be another company to the free coinage of silver and gold, and a President elected who represents the people on that

party obligations on this social question, disregard party appeals, forget the exasperations of past party contention, and spurn the offer of place and

garty obligations on this sectal question, diaregard party appears, largest and exasperations of past party contention, and spurn the offer of place and emolument.

We have the example and experience of the last campaign in North Carolina to show the practicability and safety of men of different parties cooperating to carry out a great measure essential to the welfare of the people, where neither of the parties favoring it could effect it alone. That was a cooperation on one issue—the issue of fair elections. It is now arranged to extend such a plan through all the States on another vital issue of even greater importance to this country. No one party can do this, but a majority of the people in all the parties want it done, and they can do it if they will cooperate.

The peril that menaces the people in the election of a President whose administration of the Government mears a perpetuation of the present financial system can only be averted by the people themselves. It may be too late four years hence. Present abnormal conditions do not warrant belief in the peaceful submission of the people to further oppression and impoverishment. The gold gamblers may deride the popular ebullition as a system of harmless "socialism," but if they are wise they will heed the admontion, and not persist in their greed of accumulation at the expense of the toiling and suffering people. The plain, patriotic duty of every American who loves and honors his country, who would jealously guard its institutions, who would die for the principles that have made it the greatest, the richest, the products, the most independent nation on the face of the globe, is to assert his manhood and subordinate party success to the country's welfare in the impending conflict.

Let us have this metal money restored and in the proportions found in nature's storehouse and as it existed in Washington's time, when the flag and the Constitution were fresh and God seemed to speak to the people through an open book.

The men who are for gold stand together, no

nature's store house and as it exists and God seemed to speak to the people through an open book.

The men who are for gold stand together, no matter what party they belong to. They have control of both the Republican and the Democratic parties. The people in their distress, atriking at intrenched power, knock out first one and then the other party, but no matter which turn is taken gold comes uppermost. The gold leaders are keen, determined, and loyal to the gold standard. Are the silver leaders less determined, less intelligent, and less loyal? If they are equal to the others in these qualities, what is the matter with them that they allow victory after victory to be scored against them, and that, too, when the silver people in the country are in the vast majority? The people are enraged, and justly so. Must they say at last to these leaders, "Lo, these many years have we sent you for silver, and you have returned to us without it; you are unprofitable servants, and have led us through the bog and quagmire of disappointment. We like to honor you, but you must take us by some other road and reach our idol."

The men who blazed the way to the silver conference did well. The people see the citadel of their liberties and are ready for the battle. The Philistines are at our doors. "To your tents, O larsell"

J. J. MOTT,

J. J. MOTT, Chairman National Committee, Silver Party, Corcoran Building, Washington, D. C.

AMERICAN SILVER ORGANIZATION, OFFICE CHAIRMAN NATIONAL COMMITTEE, Washington, D. C.

OFFICE CHAIRMAN NATIONAL COMMITTEE, Washington, D. C. PLAN OF OBGANIZATION.

That the voters of the country may have an opportunity to so organize that they can cooperate and redeem our country from the blight of a gold standard which has made the 100-cent dollar of 1873 a 200-cent dollar in 1896 and is paralyzing the energies of our people, undermining our liberties, and bids fair to fill the land with poorhouses, the national committee appointed by the silver conference in Washington, D. C., January 22 and 23, suggests the following plan of organization:

owing plan of organization:
That the organization proceed from the people up by all silver men ing the club roll.

1. That the organization proceed from the people up by all silver men signing the club roll.

2. That the organization should extend into every school district, so that clubs may be formed convenient to the homes of the people.

In order to effect such organization, the representative of the national committee in each State and Territory should proceed at once to appoint an organizer for each Congressional district, whose duty it will be to organize the district by the appointment of an active and efficient worker in each county to act as committeeman for such county, whose duty it will be to organize said county.

The county committeeman should proceed without delay to secure the cooperation of one active man in each city, township, or precinct to undertake the organization of said city, township, or precinct. It is further recommended that the city, township, or precinct committeemen subdivide their work by the appointment of a committeeman in each school district, whose duty it will be to can vass the school district and secure the signatures of voters to the club roll.

work by the appointment of a committeeman in each school district, whose duty it will be to canvass the school district and secure the signatures of voters to the club roll.

This would make a State organization right down with the people, each county having a member of the State executive committee. The school district committeem would constitute a township or precinct committee. The county committee would consist of the chairmen of the township or precinct committees. It will be the duty of the representative of the provisional national committee to act as chairman of the State committee until after State conventions have been held and a new State committee until after State conventions have been held and a new State committee until district conventions have been held and new committees created. The chairmen of the county committees will represent their respective counties on both district and State committees.

It is recommended that the delegates to the national convention be selected by Congressional district conventions, each district being entitled to its pro rata of the total number of delegates apportioned to each State.

The importance of an immediate thorough canvass of the voters and the securing of their signatures to the club roll can not be too strongly urged. After the signatures are secured the work of perfecting the organization becomes easy. If this plan be adopted and vigorously executed, it is believed that a majority of the voters can be enlisted in our cause long before the date set for holding our national convention. When the people understand that this plan has been adopted throughout the entire country, they will at once realise that the only effective way of overcoming the money power and its servile politicians and press has been adopted, and hope will take the place of despair.

The club roll should be left in charge of the school district committeeman, but a copy should be furnished to the national committee, so that the number of true friends of silver in the United States could

ORGANIZATION ROLL

Whereas, the demonetization of silver in 1873 enormously increased the demand for gold, enhancing its purchasing power and forcing down prices until the 100-cent dollar of 1873 has become a 200-cent dollar in 1896, measured by the average of American products; this fall of prices has deprived legitimate industry of profit and injured producers for the benefit of nonpro-

ducers, increased the burden of debts, swelled the gains of creditors, and paralyzed the productive energies of the American people; condemning willing workers to idleness and filling our land with tramps and paupers, while building up colossal fortunes at the money centers: Therefore,

Be it resolved. That we, the undersigned logal voters of —, county—
State ——, will not support any political party or vote for any candidate for any office whatever that does not favor the restoration of the money of the Constitution by the free and unlimited coinage of silver and gold on terms of exact equality, regardless of the action of other nations, and that we will not support any candidate for the office of President or Vice-President whose past record on this question does not constitute a guarantee of his action in the future:

Residence

ISSUES OF SILVER PARTY.

You will observe that this party, now in its infancy, proposes to make the issues of the day the industrial question and the to make the issues of the day the industrial question and the financial question, protection and silver, twin issues, not contradictory to each other, as would be the alliance of the gold standard with protection or of the silver standard with free trade. They are both protective measures. We believe in a reasonable tariff which will protect the labor of this country against an invasion of the products of the cheap labor of Europe, for we realize that the unit of value of this country is the day's labor, that upon that every other value is built up and related to it. You can not diminish the value of a day's labor in this country without diminishing the value of every unit of property throughout its vast area. whether it be the acre of the farm, the square foot of city real estate, or the measure of products.

Realizing, then, that we have a high standard of value in this

Realizing, then, that we have a high standard of value in this country, a high standard of value for labor and a high standard of value for property produced or utilized by that labor; realizing that the intelligence and the courage and the energy of the people of this country are the products of our institutions and not the cause, are the products of the industrial policies we have been pursuing and not the cause, we are for a reasonable protection against the cheap labor of Europe; the protection of the New England States, the protection of the Middle States, the protection of the States that are about to become manufacturing States. But we also demand a measure of protection for the wheat growing and silver-producing and cotton-growing regions of the couning and silver-producing and cotton-growing regions of the country, for we know that to-day these regions are producing their products in competition with silver-standard countries; that they must export, and that the value of the domestic product is determined by the value of the exported product, and that just so surely as we can increase the labor cost in silver-standard coun-*tries, in terms of gold, by raising the gold value of the ounce of silver, just so surely will we raise the value of our wheat and the cotton, with which we mainly pay the principal and interest of our foreign debts, and so far as the mining regions are concerned, restore the basic industry of six States and three Territories upon which our transcontinental railroads with their branches have relied for the profitable part of their business—railroads which, as the result of the legislation of 1893, have defaulted their interest, and are now in the hands of receivers, making a desperate struggle for existences by processes of reorganization and scaling

of debt and interest.

Mr. HALL. Will the gentleman yield for a question?

Mr. NEWLANDS. My time is very limited. I should be glad to do so, but I believe I have only three minutes remaining.

Mr. HALL. I was just going to state that I was a little puzzled to understand why the gentleman was making a 16-to-1 speech on a bankruptcy bill, but I now see the twin relationship existing between the two, and suppose that one is germane to the other.

Mr. NEWLANDS. Well, if the gentleman can not appreciate
the relation of my remarks to the subject, I have to say that it is

impossible for me to endow him with the necessary intelligence.

I can only say that I am addressing myself to the causes of insolvency, and I so declared at the opening of my remarks. I claim that the legislation of this country should be applied to the removal of the causes, and not to these wretched palliative measures which leave a man stripped of his fortune, relieved only of the mortgage which debt imposes on his courage, enterprise, and

PROBABLE ACTION OF OLD PARTIES.

Now, I can not tell, no man can tell, what the action of the old parties will be in the next three months. We all know, however, that the action of the Republican party is a foregone conclusion. I regret it. I was in hopes that the Republican party, the party of protection, would so far expand its policy as to embrace the use of silver, and thus protect the mining region, the wheat region, and the cotton region. I was in hope that the doctrine declared in an interview in the Fortnightly Review about two years ago, and purporting to give the views of our honored Speakernamely, that silver and protection were twin issues—would become the policy of the Republican party; that it would be a party that would protect not a section, but the entire country; not simply

the New England and Middle States, which, through their manufacturing interests, have accumulated wealth and become the creditor States of the country, but also the Western and Southern States, which have been thus far compelled to submit to a competition infinitely more dangerous than the competition against which your tariff wall is now raised; but that seems to be hope-less. The State conventions of the Republican party have declared, one after another, either in favor of a straddle platform, which has now no power to deceive, or in favor of the gold standard, with an occasional expression of the hope of an international

There is no time for me to consider the international phase of the question. International adjustment, so long as you seek an alliance with the three great creditor nations of the world, having a plethora of money which they loan out to the people of other nations, is, in my judgment, hopeless.

Had we sought alliance with the debtor countries of the world,

whose scarcity of metallic money is demonstrated by the existence in them of about \$2,500,000,000 of uncovered paper money, much of it depreciated paper; had we directed our efforts in the line of a monetary alliance with debtor countries such as Russia, Austria, Italy, Spain, and the countries of South America, all of which have to-day a vast amount of depreciated paper money, simply because there is not enough gold to go around, our efforts might have been successful in increasing the use and value of silver; but there never has been a conscientious effort by the Executive of our Government for a practical international adjustment of this ques tion; and the only thing we can do is to force a domestic adjustment.

ment.
So far as the Republican party is concerned, it will take no action in support of silver. It relies for its strength upon the creditor and manufacturing States of the Union, and does not seek the support of the South and the wheat-growing and mining States of the West. How about the Democratic party? What action will it take? Two months ago it seemed to be universally conceded that the power of the Administration would be effective in securing delegates to the Democratic convention, so as to control them for the gold standard and we all know how effective the them for the gold standard, and we all know how effective the power of organization is in producing results contradictory of the wishes of the people. The gold men were foolish enough to allow the question to be tested at the primaries, and from almost every Western and Southern community comes the demand for the results of the results of the standard toration of the constitutional coinage of silver at the old ratio. I assume, then, that the Democratic convention may be a free-coinage convention, and if so it is apparent that the success of the silver issue will largely depend upon the wisdom that controls its deliberations

The CHAIRMAN. The time of the gentleman has expired. Mr. KEM. I ask unanimous consent that the gentleman from Nevada may be permitted to finish his remarks. Mr. NEWLANDS. Five minutes will do me. Mr. WATSON of Ohio. I ask that the gentleman may have ten

minutes.

was no objection.

Mr. BRODERICK. I would like to know how much time there is to be taken, as there are a great many to speak, and there will not be opportunity for them all.

Mr. BAILEY. To save any trouble, I yield the gentleman ten

minutes.

Mr. NEWLANDS. I do not like to deprive you of your time. Mr. BAILEY, Go on.
Mr. NEWLANDS. I will be as brief as possible.

With reference to the Democratic party, I repeat that much depends upon the wisdom of the deliberations of that convention. I have always thought that the success of bimetallism would be best promoted if both the old parties declared for a gold standard at their coming conventions. I have been satisfied that there would then be an overwhelming combination of all the friends of the property with the property with the property with the pends are the pends of the pend would then be an overwhelming combination of all the friends of silver, which would result in the organization of a new party with bimetallism as the distinctive issue, and led by a man of large experience in public life, whose whole career had exemplified his devotion to the best interests of the people and particularly to the course of bimetallism. But the Democratic party may take such action on this question as to make a successful union of the silver force improved by any take power in the people and the question is now whether the Democratic party may take the people and the question is now whether the Democratic party may take the people and the question is now whether the Democratic party may be provided the people and particularly the people and the question is now whether the Democratic party may be provided to the people and particularly to the course of the people and particularly to the peop ver forces improbable, and the question is now whether the Democratic party will maintain its tendency toward free trade, or whether it will recognize the signs of the times, that the sentiwhether it will recognize the signs of the times, that the senter ment of this country is more steadily every day advancing to-ward the protective idea. That school of humanitarianism which seeks to regard the whole world as one people with universal free trade and universal brotherhood no longer has many disciples. We begin to realize that intelligent self-interest should control every nation as it does every individual or family. That was better the self-interest should control every nation as it does every individual or family. That man best discharges his duty to humanity who first considers the interest of his family, next the interest of his community, next the interest of his State, and next the interest of his nation,

and then gives the balance of his love to the rest of the world.

oud applause.]
Mr. WATSON of Ohio. That is good Republican doctrine. Mr. NEWLANDS. The gentleman says that is good Republican doctrine. [Renewed applause.] Whether it be good Republican doctrine or good Democratic doctrine it is good common sense; but let me say to my Republican friend that the policy which s protection to a section and denies it to the nation at large, which passes laws in favor of protecting the labor of the manufacturers of the East and refuses to pass the only laws which can protect the wheat growers and cotton planters against destructive Oriental competition is not the enlightened self-interest which should control a nation. And let me say to my Democratic friends that if the Democratic party remains hidebound on the tariff, if it fails to accept the general sentiment of this country with regard to the necessity of maintaining protective tariff laws, it will, in my judgment, seriously imperil the success of the silver cause; and I appeal to those gentlemen on the other side who constitute the leading members of that party to take this matter into serious consideration in the interest of the people of the West and South, and I would add the interest of the manufacturing industries of the country.

AN ORIENTAL MENACE. This question has not been fought out in Pennsylvania and Massachusetts as it has been in the wheat fields, the cotton fields, and the silver mining camps. The people of those States do not realize, protected as they have been by this high-tariff wall against the cheap labor of Europe, that there is a productive power in the Orient which threatens their destruction; and when they do realize that fact, as they will during the coming campaign, they will learn that the interests of the manufacturers of New England and of the Middle States stand with the interests of the manufac-turers of Manchester, of Birmingham, and of the German cities, turers of Manchester, of Birmingham, and of the German cities, who have lost their Oriental trade through the promotion of domestic industries in those countries owing to the premium on gold, and who find that the products which they have been accustomed to throw upon those countries are forced back upon them, producing a glut in their domestic markets, the effects of which we find here in these low-priced products that have slipped over our traiff wall. over our tariff wall.

A UNION OF INTERESTS. I hope to see the wheat interest, the cotton interest, the mining interest, and the manufacturing interest organize against the banking interest, the railroad interest, and those great commercial bodies whose action beats responsive to their will. For recollect, gentlemen, that it is the changers of money, the changers of goods, and the transporters of goods that have made a union of forces against the productive energies of the country, whether those productive energies are manifested in cotton and wool man-ufactures in the New England and Middle States, in the iron ufactures in the New England and Middle States, in the iron and coal industries of Pennsylvania, in the production of wheat in the West and cotton in the South, or in the mining of silver in the great West; and you may rest assured that this country will in time pursue the policy of enlightened self-interest. It will realize that it is to its interest, as the producer of over one-third of the entire silver of the world, as the greatest debtor nation in the world, as the greatest producing nation in the world—it will realize that it is the policy of enlightened self-interest for such a nation to stop the appreciation of gold, to stop the building up in value of every unit of those four thousand millions of gold whose present home is in three countries—England, France, and Germany.

Think of it! One-half of the gold of the world in the banks in those three countries, occupying so small a space on the map and having only one-fifteenth of the population of the world—one-half of the gold of the world in their possession and the other half tied

of the gold of the world in their possession and the other half tied to strings by which they can easily draw it to themselves at any Shall we continue to place our interests, our industries, our property, our existence at the mercy of those people who have accumulated that gold, which can be put into a cube of 22 feet, a space less than that of the Speaker's chamber, and who by their financial policy have compelled the debtor and producing nations to recognize it as the only money metal, to build up its value and to increase its control over the value of the products of labor, and thus to reduce the world to industrial and financial servitude. [Ap-

I must beg pardon of the House for diverting its attention from I must beg pardon of the House for diverting its attention from the discussion of the particular subject before it. My only excuse is that I rarely have an opportunity to speak upon this floor; that the financial and the industrial policy of this country have not been made the subjects of long, protracted, and careful consideration here; that this is the only opportunity I have had and possibly the only opportunity I shall have to speak in favor of a true and robust Americanism to be exhibited by either a new party or a union or fusion of parties with the party declaring for free coinage, which will, I trust, in November next carry the flag of bimetallism to victory. (Lond applance) allism to victory. [Loud applause.]

The Democratic Party the Only Friend of Farmers, Laborers, and Bread Earners.

SPEECH

HON. JOSEPH WHEELER.

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, May 29, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collect information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. WHEELER said:

Mr. SPEAKER: The people of all governments, from the beginning of time, have been divided into two distinct parties advocating antagonistic principles, the one party including and controlled in the interests of a fortunate and favored few, always struggling to increase their power; and the other, composed of the great pro-ducing classes, always struggling to enlarge their liberty. Our foreducing classes, aways struggling to entarge the first field from the intolerant oppression of the titled few in the Old World and cast their lot in an unknown continent to establish a government in which all men should be free and equal and where all men should enjoy the blessings of perfect liberty. To attain this God-given right, our forefathers planted the foundation of this God-given right, our forefathers planted the foundation of this great democratic Republic. The word "democracy"—taken from the Greek words Demos, the people; cratia, to posses, to govern—is symbolical of the character of government which the founders of this Republic endured dangers, hardships, trials, battles, and bloodshed to establish.

The essence of democracy is to seek in its utmost purity the voice of the people; to have laws which express the wishes of the people; a government which is but a reflection of the people themselves, and governors from among the people, chosen by the records and governing for the good of the entire people. Such a

people, and governing for the good of the entire people. Such a government is but the voice of the people, and the voice of the people is the voice of God.

Such a government attains the most prosperity, the purest virtue, the highest culture, the noblest manhood.
Such a government alone can protect the life, liberty, and property of its citizens.

The Declaration of Independence, the Articles of Confederation, and the Constitution of the United States all bear the impress of the virtue and spirit of liberty which animated the forerunners

of American civilization.

A government which enacts laws that benefit the few and oppress the many is not a democratic government. Tariff laws which give bounties to the few and place burdens on the many are not democratic. Laws by which millions upon millions are collected from the laboring masses and appropriated so as to benefit the few are not democratic. Laws by which the banking facilities are practically confined to a few men are not democratic. Laws by which substantially all the gold of the country is centered in one locality and in the hands of a few men, and then sought to be made the only money of ultimate redemption, are not democratic. Laws which build up and maintain monopolies and trusts or any other oppressive combinations of capital are not democratic. Obnoxious laws of this character which have been enacted since the Republican party came into control of the Gov-ernment have divided the people into two great classes, on the one side the owners of three-fourths of the property of the country, so few that they could all be sheltered within this Capitol, and on the other millions of laboring, struggling, toiling people, which include 30,000,000 who derive their support from the cultivation of

the soil.

It is these people who fight the battles of the country in war whose interests should have the first consideration of the law-makers of our land. The farmer has never asked for legislation for his especial benefit; he only asks that the laws of our country be equal and just, and that the burdens and the bounties incident thereto, like the dews of heaven, fall equally upon all people and all vocations. The farmer is the creator of nearly all the wealth of our land, and the welfare of all other vocations is largely dependent upon his prosperity. When the farmer is prosperous the manufacturer has the best market for his wares, the merchant collects his debts, the educator, the minister, the lawyer, the physician, and the followers of all other vocations are well paid. The farmers only ask a repeal of Republican laws which have

physician, and the followers of all other vocations are well paid. The farmers only ask a repeal of Republican laws which have reduced the price of farm products to less than the cost of production. They ask a repeal of the bank legislation, which for thirty years has denied to farmers the right to use their lands as a basis of credit, and which, together with other adverse laws, has reduced farm lands to one-tenth their value when the laws were considered as the contraction of the c

were equal, just, and Democratic.

They denounce this prohibitory 10 per cent tax upon issues of banks other than national banks as the main prop, pillar, and foundation of the exclusive and most obnoxious features of the national-bank system.

The history of our country shows that the Democratic party has always been the farmer's friend, and is the only party which has not done the farmer the grossest wrong and injustice.

Jackson's great mind saw that a national bank, which virtually

makes a favored few the financial partners of the Government Treasury, would become a nursery of evil. He said that such a bank would concentrate the moneyed power of the Union, make the rich richer and the potent more powerful, while the humbler members of society, the farmers, mechanics, and laborers, would be the victims of the injustice.

The Democratic platforms of 1840, 1844, 1848, 1852, 1856, and

1860 denounced such an institution as—
of deadly hostility to the best interest of the country, dangerous to our republican institutions and the liberties of the people, and calculated to place the business of the country within the control of a concentrated money power and above the laws and will of the people.

The Republican party came into power in 1861 the avowed champion of a strong centralized government.

The laws enacted by this party have favored banks and bondholders. They have given privileges to the rich and powerful at the expense of the humbler people of our land. Financial laws, tariff laws, and tax laws have all tended in the same way and have all attained the same purpose. But it is gratifying to see the evidence that the Democratic party had always opposed every encroachment upon the rights and liberties of the great mass of the

REPUBLICANS CREATE NATIONAL BANKS.

On February 13, 1863 (Globe, page 897), the Senate voted upon the bill to charter national banks, called the national currency bill. Twenty-one Republicans voted for the bill and 16 Democrats voted against it. This bill was voted upon in the House on February ary 20, 1863 (Globe, pages 1147 and 1148). On the vote for the previous question 73 Republicans voted for it and 51 Democrats voted against it. On the vote to lay the bill on the table 49 Democrats voted for the resolution and 79 Republicans against it.

On the vote ordering the bill to a third reading 79 Republicans voted for it and 53 Democrats against it. On the final passage of the bill 76 Republicans voted for it and 47 Democrats against it. This law has already cost the people more than \$400,000,000. All these votes were practically upon strict party lines. Of the 78 affirmative votes by which the national-bank bill was finally passed,

The law was approved February 25, 1863, and is found in Statutes at Large, volume 12, pages 665 to 682.

In April, 1864, the law which sought to perpetuate national banks was before Congress. Every Democrat in both Houses voted against the bill, while the Radicals and Independents, with the exception of 1 in the lower House and 2 in the Senate, voted

On April 6, 1864 (Globe, page 1451), upon an amendment favorable to national banks, 75 Republicans voted for the amendment and 54 Democrats against it.

On April 16, 1864 (Globe, page 1682), on Mr. Felton's amendment to greatly relieve national banks from taxation, 70 Republicans

voted for and 59 Democrats against it.

On April 18, 1864 (Globe, page 1695), a vote was had upon this:
That the expansion of the bank circulation of the country, producing general and ruinous speculation, should be repressed by taxing the issues of the State banks.

A solid phalanx of Democrats, including such men as Francis Kernan, George H. Pendleton, J. L. V. Pruyn, Samuel J. Randall, and Fernando Wood, voted against the resolution, and it was passed by a solid vote of Republicans.

Upon the final passage of the bill, April 18, 1864 (Globe, page

Communication of the motion and 57 Democrats against it; on Mr. Holman's motion to lay the motion and 57 Democrats against it; on Mr. Holman's motion and 75 Republicans voted for the motion and 75 Republicans with motion and 75 Republicans worder of the motion and 75 Republicans worder against it; on passage of the national-bank or currency bill, 77 Republicans voted for the bill and 63 Democrats against it.

On May 24, 1864 (Globe, page 2448), on Mr. Holman's motion to table objectionable amendments to the bank bill, 56 Democrats voted for the motion and 78 Republicans against it. The various amendments to the bill were voted on in the Senate April 28, 1864 amendments to the bill were voted on in the Senate April 28, 1864 (Globe, pages 1957 and 1959), May 5 (page 2123), May 6 (pages 2142, 2143, and 2145), May 9 (pages 2174, 2180, and 2183), and May 10 (pages 2200, 2202, 2203, 2204, 2205, and 2206), and the bill was passed on May 10 (pages 2207). In nearly all the numerous votes the Democrats voted almost solidly against the establishment of the system, and the Republicans almost solidly in favor of the system. The bill was approved June 3, 1864. (See Statutes at Large, volume 13, pages 99 to 118.) It will therefore be seen that the objectionable national-bank law was solidly and untiringly opposed from first to last by the Democrats in Congress, and was passed by the votes, speeches, and efforts of the Republicans.

REPUBLICANS LEGISLATE FOR THE BONDHOLDER AND AGAINST THE PEOPLE.

On February 28, 1865, the House passed the bill to provide ways and means for the support of the Government. The bill provided that all bonds or other obligations issued under this act should be exempt from taxation by or under State or municipal authority. The vote was taken viva voce, and Mr. Hooper moved to reconsider and to lay the motion on the table; 85 Republicans voting affirmatively and 48 Democrats in the negative.

The original contract was to pay the principal of the United States bonds in currency, and the obligation to so pay them was

recited upon the face of every bond. In March, 1869, a Congress largely composed and under the entire control of bank officers and bondholders enacted a law that these bonds should be paid in coin, and thus embezzled \$1,000,000,000 of the hard earnings of an honest people. Every Democrat but 1 voted against this iniquity, and all the Republicans but 12 voted for it. In the Senate 42 Republicans voted for it and nearly every Democratic Senator against it.

The bill declaring that currency bonds should be paid in coin was voted on in the Senate March 11 (see pages 46, 58, and 56 of the Globe), and on March 15, 1869 (page 70).

In the House it was voted upon on March 12, 1869 (pages 60-61).

In March, 1869, a resolution was offered to lighten the burdens of the people by placing a tax on bonds, and exempting such necessaries as salt, tea, coffee, sugar, matches, and tobacco. The Democrats voted solid for and the Radicals solid against it.

In 1870 a funding law was passed by which \$500,000,000 was taken from the people and given to the bondholders. The Democrats in both the House and Senate voted solid against it, and all

but 2 Republicans for it.

The funding bill of July, 1870, was voted for, pages 5026, 5059,

5084, and 5070.

The Senate bill was voted upon, page 5467, and was finally passed on July 13, 1870 (page 5523).

In July, 1870, Congress passed the Sherman bill to increase the national-bank circulation \$54,000,000. All but 4 Democrats voted against the bill, and it was passed by the almost solid vote of the Republicans.

REPUBLICANS ADVOCATE CURRENCY CONTRACTION AND OPPOSE SILVER COUNAGE.

On June 14, 1870 (Globe, page 4434), Mr. Randall's bill to substitute \$300,000,000 United States currency for national-bank notes was defeated; all the Republicans but 10 voted against it, and every Democrat but 6 for it. The failure of this measure has already cost us \$360,000,000.

Soon after, Mr. Morgan's bill (Globe, page 4435), which sought the same relief but extended the substitution to \$400,000,000, was defeated by 116 Radicals, while it was supported by the almost

solid vote of the Democracy.

On June 15, 1870 (Globe, page 4471), Mr. Ingersoll moved to authorize additional legal-tender notes; 35 Democrats voted for it and 88 Republicans against it.

In 1872 a resolution was introduced indorsing and approving the ruinous Radical financial policy. Every Democrat voted against and every Republican for the resolution.

The bondholders and bankers, not satisfied with making \$1,000,000,000 by the law of March, 1869, which made the bonds payable in coin, now finding an increase in the production of silver, in

in coin, now finding an increase in the production of silver, in 1873 demonstrated that metal, and thus required the taxed people to pay them gold for their untaxed bonds.

This law of necessity increased the purchasing power of gold, which still further added to the wealth of the rich and to the distress of the mass of the people. This bill was rushed through under a suspension of the rules by a strict party vote.

In 1875, by the same rule, the resumption act, "that great king of destroyers," was passed by Republican dishonesty. In the House every Democrat voted against it, and nine-tenths of the Republicans sustained and voted for this law, which has already caused so much bankruptcy, ruin, and distress. ready caused so much bankruptcy, ruin, and distress

STRUGGLES OF DEMOCRATS FOR THE PEOPLE.

The beginning of the year 1876 found the Forty-fourth Congress in working order and determined to do something for our op-

This was the first Democratic House of Representatives which This was the first Democratic House of Representatives which had been elected since 1860. The resumption act was bankrupting and destroying the people. This Democratic House passed a law repealing the "resumption act," although resisted in every possible way by the Republicans.

On August 5, 1876 (CONGRESSIONAL RECORD, page 5232), Mr. Cox's bill to repeal this act was voted upon; 96 Democrats voted for it and 59 Republicans against it.

On December 13, 1876 (RECORD, page 172), the House voted upon a bill for the free coinage of silver; 124 Democrats voted for it and 36 Republicans against it.

On November 5, 1877 (RECORD, page 241), another bill for the free coinage of silver was brought before the House; 97 Democrats voted for the bill and 24 Republicans against it.

crats voted for the bill and 24 Republicans against it.

On November 23, 1877 (Record, page 632), another bill was considered and voted upon to repeal the resumption act; 109 Democrats voted for the measure and 92 Republicans against it.

On February 28, 1878 (Record, page 1420), the House passed the silver bill over the President's veto; 122 Democrats voted for it and 52 Republicans against it.

On May 31, 1878, the bill was considered and passed to forbid any further retirement of legal-tender notes; 106 Democrats voted for it and 28 Republicans against it.

June 6, 1878 (Record, page 4204), upon Mr. Treker's appending the considered and passed to forbid for it and 28 Republicans against it.

June 6, 1878 (RECORD, page 4204), upon Mr. Tucker's amendment to reduce taxes, in the interest of the people. 183 Democrats voted for the amendment and 101 Republicans against it.

voted for the amendment and 101 Republicans against it.
On January 15, 1879 (RECORD, page 473) Mr. Fernando Wood reported a bill to make United States notes receivable for duties on imports. This was a measure in the interest of the people and against banks and monopolies. The bill passed the House, 103 Democrats voting for it and 31 Republicans against it.
Pending its passage, Mr. Garfield sought to amend so that the bill should only hold good "so long as said notes shall be exchangeable at par with coin." Garfield's amendment was voted for by 67 Republicans, and was voted against by 94 Democrats, and was defeated. On April 5, 1880 (RECORD, pages 27, 42), a resolution was voted upon: was voted upon:

That the maturing interest-bearing debt shall not be refunded beyond the power of payment at any time, and that the mints be operated at their full capacity in the coinage of silver.

Seventy-three Democrats voted for the resolution and 90 Repub-

licans against it.

On February 17, 1882 (RECORD, page 1246), upon a vote favorable to Republicans and against Democrats and Democratic principles, 5 Greenbackers voted with 120 Republicans against 95 Democrats.

REPUBLICANS AND GREENBACKERS EXTEND CHARTERS OF NATIONAL BANKS. would have saved the people \$20,000,000 a year. Sixty-five Democrats voted for this just and proper bill, while it was opposed by 114 Republicans and 5 Greenbackers, and every one of these 5 Greenbackers was elected by pledging extreme and unrelenting hostility to national banks.

It is astounding to the last degree that these Greenbackers It is astounding to the last degree that these Greenbackers elected to the Forty-sixth and Forty-seventh Congresses so utterly violated their pledges to their people and voted with the Republican enemies of the people and against such beneficent Democratic measures. It tends to show that these Greenbackers were controlled by Republican leaders and voted with the Republicans when required to do so by the leaders of that party.

On the same day Mr. Randall and Mr. Culberson moved to amend the bill by provisions which restricted the contraction of the currency; 76 Democrats voted for the amendment, while 105 Republicans voted solid against it.

On May 19, 1882 (Record, page 4121), Mr. Jones of Arkansas

On May 19, 1882 (RECORD, page 4121), Mr. JONES of Arkansas made another motion to prevent the contraction of the currency; 76 Democrats voted for the measure and 94 Republicans voted solid against it.

The same day a bill was voted upon in the Senate to extend national-bank charters; 26 Republicans voted for it and 12 Demo-

crats against it.

On June 21, 1882 (Record, page 5177), Senator Beck's measure against national banks was voted on in the Senate; 20 Democrats voted for it and 29 Republicans against it. In the House, upon the final passage of the bill which extended national-bank charters, 103 Republicans voted for the bill, while 57 Democrats voted remired in the senate of the bill, while 57 Democrats voted remired in the senate of the bill, while 57 Democrats voted remired in the senate of the bill, while 57 Democrats voted remired in the senate of the senate of the bill, while 57 Democrats voted remired in the senate of th against it.

against 16.
While the bill was before the Senate, Senator Beck offered an amendment which was in the line of free coinage of silver and expansion of the currency; 20 Democrats voted for Senator Beck's amendment, while 28 Republicans voted against the amendment

and not a single one for it.

On June 22 (RECORD, page 5224) the bill to extend the charters of the national banks passed the Senate; 26 Republicans voted for the bill and 12 Democrats and 1 Republican against it.

On July 10, 1882 (Record, page 5852) the conference report extending the charters of national banks was voted upon in the House; 99 Republicans voted for it and 69 Democrats against it. On June 27, 1882, upon passage of the internal-revenue bill, the

Republicans and 1 Greenbacker voted for it, the Democrats voted against it, and 7 Greenbackers refrained from voting. (RECORD,

On April 15, 1884, the Morrison tariff bill was voted on in the House; 151 Democrats voted for it and 124 Republicans against it. On June 17, 1886 (Record, page 5830), the Morrison tariff bill was voted upon in the House; 135 Democrats voted for it and 121

Republicans against it.
On July 21, 1888 (Record, page 6660), a vote was had in the
House on the Mills tariff bill; 161 Democrats voted for it and 146

Republicans against it.
On January 22, 1889, a vote was had in the Senate on the Republican substitute for the Mills tariff bill; 32 Republicans voted for it and 30 Democrats against it.

DEMOCRATS VOTE FOR FREE COINAGE OF SILVER.

On April 8, 1886 (RECORD, page 3300), a bill was voted upon in On April 8, 1886 (RECORD, page 3300), a bill was voted upon in the House for the free coinage of silver; 96 Democrats voted for the bill in the interests of the people and 93 Republicans voted against the bill and against the interests of the people.

On the same day (RECORD, page 3300) an amendment was offered to suspend the coinage of silver; 51 Republicans voted for this and 130 Democrats against it.

On June 7, 1890 (RECORD, page 5813) a motion was made to recommit the bullion bill and report back a bill for the free coinage of silver; 101 Democrats voted for the motion and 27 Republicans against it.

licans against it.

On the same day (Record, page 5814) the bullion bill passed the House; 134 Republicans voted for it and 112 Democrats against it. Mr. Featherstone, a Farmers' Alliance man from Arkansas, voted with the 134 Republicans in favor of this bill, in favor of banks and monopolies and against the people.

On June 25, 1890 (Record, page 6510), Mr. Bland offered an amendment in favor of free coinage of silver; 112 Democrats voted for it and 130 Republicans against it.

On July 12, 1890 (Record, page 7218), the conference report on the bullion bill was voted upon in the House; 121 Republicans voted for it and 90 Democrats against it. Mr. Featherstone, a Farmers' Alliance man, voted with the 121 Republicans against the 90 Democrats.

the 90 Democrats.

It will be seen that this Farmers' Alliance man was so anxious to aid the Republicans in their vicious legislation, that he even

to aid the Republicans in their vicious legislation, that he even voted with them for the pernicious Sherman bullion law which stopped the coinage of silver.

On July 12, 1890 (RECORD, page 7188), the conference report on the bullion bill was voted upon in the Senate; 39 Republicans voted for the bill and 26 Democrats against it.

On May 21, 1890 (RECORD, page 5112), a vote was had on the passage of the McKinley tariff bill in the House; 164 Republicans voted for it and 142 Democrats against it. On September 10, 1890 (RECORD, page 9943), the McKinley tariff bill passed the Senate; 40 Republicans voted for it and 29 Democrats against it. On September 27, 1890 (RECORD, page 10641), the vote was had in the tember 27, 1880 (RECORD, page 10841), the vote was had in the House on the conference report on the McKinley tariff bill; 15 Republicans voted for it and 80 Democrats against it.

On September 30, 1890 (RECORD, page 10740) a vote was had in the Senate on the conference report on the McKinley tariff bill 33 Republicans voted for it and 27 Democrats against it. On July 1, 1802 (Record, page 5719), a bill for the free coinage of silver passed the Senate; 19 Democrats voted for it and 18 Republicans

On October 28, 1893 (Record, page 2920), the Senate voted upon the amendment to require the coinage of not less than 2,000,000 ounces of silver per month. Twenty-three Democrats, including Mr. Allen of Nebraska and Mr. Kyle of South Dakota, voted

on October 30, 1893 (Record, page 2958), the Senate voted upon the House bill for unconditional repeal of the purchasing clause in the Sherman Act; 24 Republicans voted for the bill and in favor of money contraction and 21 Democrats voted against the bill and in favor of an increase of circulation.

and in favor of an increase of circulation.

On February 1, 1894 (Recond, page 2041), on the passage of the Wilson tariff bill in the House, which greatly reduced the tariff on clothing and other articles used by the laboring people and taxed the incomes of people of wealth, 196 Democrats voted for the bill and 122 Republicans against it.

April 12 and 13, 1894 (Recond, pages 4597, 4603), Senator Peffer, Populist, argued in behalf of taxing the people to pay a bounty of some \$14,000,000 a year to sugar raisers. June 18, page 7648, he said:

Let the National Legislature take charge of this subject; let it take possession of all the coal beds and all the coal mines in the country, and let the coal be given to the people freely.

As most all farmers burn wood, this plan would tax them some \$300,000,000 a year to donate coal to persons who are not farmers. June 18, pages 7667, 7668, and again June 20, page 7752, he advocated a tax on salt equal to 50 per cent.

In order to show at a glance that Democrats have voted upon all financial measures in the interests of the people, I have pre-

all financial measures in the interests of the people, I have prepared four tables showing how Democrats and Republicans have voted on these questions during the last thirty years.

I think, Mr. Speaker, that all Democrats who examine these tables will hesitate a long time before deserting a party which has always been true to the best interests of the people and which through years of oppression voted in a solid phalanx against the enactment of the oppressive laws which have created the great moneyed monopolies and gone so far toward dividing our country into two great classes, a few millionaires on one side and the struggling mass of the people on the other. gling mass of the people on the other.

TABLE 1.—Votes in the House of Representatives upon Republican measures in the interest of banks and monopolies and against the people.

Date.	Character of measure.	Republican votes for monopoly and against the people.	Democratic votes for the people and against mo- nopoly.
Feb. 20, 1863	Vote on previous question to charter national	73	51
Do	banks. Vote ordering national-bank bill to third read-	79	58
Do	ing. On final passage of bill chartering national banks.	76	47
Apr. 6,1864 Apr. 16,1864	On amendment favorable to national banks On Felton's amendment to greatly relieve national banks from taxation.	75 70	5/ 5/
Apr. 19, 1864	On resolution to prevent issues of bills by State banks.	63	46
Do	On Rollins's motion favorable to national banks. On passage of national bank or currency bill	75	57
June 3, 1864 Feb. 28, 1865	Bill to perpetuate national bank Hooper's motion to reconsider and to lay mo- tion on the table.	80 85	6.
Mar. 3,1865 Mar. 18,1869	Authorizing the issuance of nontaxable bonds. Bill to pay off greenback bonds in gold (act of	85 96	4 3
July 13, 1870	March 18, 1869). Bill for exchanging greenback bonds for gold	+130	5
July 7,1870	bonds and in favor of national banks. Sherman's bill to increase national-bank cir-	96	4
July, 1872 Jan. 14, 1875	culation by \$54,000,000, Bill indorsing Republican financial legislation		
Jan. 14, 1875 Jan. 15, 1879	Bill for the resumption of specie payment. Garfield's amendment restricting the use of	136 67	2
May 15, 1879	Vote to table Warner's silver bill	95	10
Apr. 3,1882 May 19,1882	Bill to extend national-bank charters The national-bank bill was passed	103	6
July 10, 1882	Adoption of conference report	99	
Apr. 8,1886	Adoption of conference report Motion to suspend the coinage of silver	51	13
May 21, 1890	Vote on passage of McKinley tariff bill in the House.	164	
June 7,1890	Bullion bill as it passed the House	+134	13
July 12, 1890	On conference report on bullion bill	+121	1
Sept.27, 1890	Vote on the conference report on the McKin- ley tariff bill in the House.		
Mar. 24, 1892	On Mr. Burrows's motion to lay the bill for free coinage on the table.	66	12
Do	On Mr. Johnson's motion to reconsider the above vote.	66	15
Mar. 1,1894	Vote to recommit bill for coining the silver in the Treasury.	85	13
Feb. 7,1895	Vote on Mr. Reed's substitute to issue bonds.		10
Do	Vote on bill to issue bonds	44	
Feb. 14, 1895	Vote on bill to issue gold bonds	- 33	1

*Solid. t Featherstone, Farmers' Alliance, voted with Republicans

TABLE 2.—Votes in the Senate upon Republican financial measures in the interest of banks and monopoly and against the people.

Date.	Character of measure.	Republican votes for monopoly and against the people.	Democratic votes against monop- oly and for the people.
Feb. 13, 1863 June 3, 1864	To establish national banks Act to perpetuate national banks	30	1
Mar. 16, 1869	Bill providing that greenback bonds shall be paid in gold.	4.2	79
Jan. 14, 1875	Bill for the resumption of specie payment	32	11
June 27, 1879	Mr. Allison's motion to refer and defeat Vest's motion for free silver coinage.	19	32
Mar. 17, 1882	Vote to table Senator Brown's resolution favor- ing increase of money.	28	28
June 22, 1882	Bill extending national-bank charters	26	12
Jan. 22,1889	Vote in the Senate on Republican substitute for Mills tariff bill.	32	36
July 12, 1890	On conference report on bullion bill		20
Sept. 1,1890	Mr. Aldrich's motion to increase duty on wools, yarns, etc.	20	18
Do	Mr. Aldrich moved to increase duty on woolen cloths, etc.	28	17

Votes in the	Senate upon Republican financial measures, etc.			Votes in the H	ouse of Representatives upon Democratic measur	es, etc.	Cont'd
Date.	Character of measure.	Republican votes for monopoly and against the people.	Democratic votes against monop- oly and for the people.	Date.	Character of measure.	Democratic votes against monop- oly and for the people.	Republican votes for monopoly and against the
Sept. 5,1890	Mr. Aldrich's motion to tax farmers on their	24	20	June 7,1890	Motion to recommit bullion bill and report	101	12
Sept. 8,1890	leaf tobacco. Mr. Aldrich, to increase tariff tax on sugar in	25	16	June 25, 1890	back free-coinage bill. Mr. Bland's amendment in favor of free coinage of silver.	112	13
Do	interest of sugar trust. Mr. Aldrich, to give bounty of 2 cents to producers of maple sugar. On ordering the McKinley bill to be read the	80	25	Mar. 24, 1893 Do	Vote for free coinage of silver	129 128	
Sept. 9,1890	basica carac.	88	28	Apr. 9,1893	against silver. On vote to make bagging, machinery, and cot-	150	
Sept. 10, 1890 Sept. 30, 1890	Vote in the Senate on the McKinley tariff bill. Vote on passage of McKinley tariff bill	40 83	29 27	May 2,1802	ton ties and cotton gins free. On vote to make binding twine for farmers	176	
Banra 2 To	ofer in the House of Democratations were Democrata			July 8,1802	free. On vote to reduce tax on tin-plate, in the interest of farmers.	199	
again	otes in the House of Representatives upon Demo ust banks and monopolies and in the interest of th	e people	neasures	July 13, 1892	On resolution to consider Senate bill for free coinage of silver.	118	
		848	19	Aug. 28, 1893 Do	Vote for free coinage of silver at 16 to 1 Vote to coin 2,000,000 ounces of silver per	100	1
		ic votes monop- for the	vot opo	Do	month at 16 to 1. Vote to repeal purchasing clause of Sherman	74	1
Date.	Character of measure.	od for	tepublican votes for monopoly and against the people.	Feb. 1,1894	act.§ Vote on Wilson bill to reduce tariff taxes on wool clothing, etc., and impose a tax on	196	1
		against oly and people.	publi or nd a	Mar. 1,1894 Do	large incomes. Vote to coin the silver in the Treasury Vote upon passage of the bill	143 135	
		Deog	E E E	Apr. 4,1894	Vote to pass silver bill over veto	119	
Feb. 20, 1863 Apr. 18, 1864	On motion to lay national-bank bill on table	49 56	79 75	† E	his bill was vetoed by President Hayes, March a light Greenbackers voted with the Republicans.	, 1881.	
May 24, 1864	On Holman's motion to lay national-bank or currency bill on the table. On Holman's motion to table objectionable amendments to bank bill.	56	78	\$ F	'ive Greenbackers voted with the Republicans. his vote not regarded as partisan or political.		
June 28, 1864	Mr. Holman's amendment permitting taxation	63	77	TABLE 4Vo	tes in the Senate upon Democratic financial measur	res agais	ast bar
Mar. 29, 1869	of bonds. Mr. Morgan's bill taxing bonds, and exempting from tax salt, tea, coffee, sugar, matches,	39	104		and monopolies and in the interest of the people		1859
Jan. 17, 1870	and tobacco. Mr. McNeely proposed to substitute green-	53	112		the contract of the	vot ono	Vot
Jan. 31, 1870	backs for national-bank currency. Mr. McNeely proposed that the national debt should be paid in strict compliance with the	40	120	Date.	Character of measure.	Democratic votes against monop- oly and for the	Republican votes
	contract, and that bonds payable in green- backs should not be paid in gold.					emoc agair	for n
June 1, 1870	To place tax of 10 per cent on incomes from bonds.	46	190			A	23
Do June 14, 1870	To place tax of 5 per cent on incomes from bonds. Mr. Randall proposed to substitute \$300,000,000	61	100	May 10, 1864 Mar. 11, 1870	Powell's measure to repeal national bank law	5 7	
J (1310 14, 1010	for national-bank notes.	84	116	Feb. 15, 1878	Senator Bayard's measure to tax bonds Bland act for coinage of silver Bland act over President's veto.	24 25	
June 15, 1870	same relief to the extent of \$400,000,000. Mr. Ingersoll moved to authorize the addi-	85	88	Feb. 28, 1878 June 21, 1882 Aug. 19, 1890	Beck's measure against national banks. Vote to reduce tariff on many descriptions of steel and iron to 35 per cent.	24 25 20 19	
Mar. 13, 1871	same relief to the extent of \$400,000,000. Mr. Ingersoll moved to authorize the additional legal-tender notes. Vote to repeal tax on tea and coffee	89	80	Do	Vote to reduce tax on wire for fences	21	
Mar. 27, 1871	for revenue only, and not for the protection	75	91	Do	fences.	21	1
Aug. 5, 1876	of class interests at the general expense. Mr. Cox's bill to repeal the resumption act	96	50	Do	not less than 10 wire gauge. McPherson's motion to reduce tariff on iron	19	1
Dec. 13, 1876 Nov. 5, 1877	Bill for free coinage of silverdo	124	36 24	Do	or steel wire of certain classes 25 per cent. Vance's motion to reduce tax on trace chains	18	1
Nov. 28, 1877 Jan. 21, 1878	Bill to repeal the resumption act	100	92 76	Aug. 20, 1890	and other chains. McPherson's motion to reduce tax on cheap	24	
Jan. 29, 1878	ties in legal-tender notes. Vote to pay bonds in silver	116	56	Aug. 22, 1800	knives, razors, etc. Vest's motion to reduce tax on files and other	19	
Jan. 29, 1878 Feb. 28, 1878 Mar. 5, 1878 Mar. 25, 1878	Vote for free coinage of silver	1 105	52 77 91	Do	To reduce tax on iron or steel sheets, plates, wares, etc.	10	
May 81, 1878	ments for sinking fund. To forbid further retirement of legal-tender	106	28	Do	To reduce tax on cut nails, spikes, etc	18	
June 6, 1878	notes. Tucker's amendment to reduce taxes in the	133		Do	and steel nails. To reduce tax on saws	10	
June 19, 1878	interest of the people. Vote to substitute United States currency for	96	98	Ang 96 1900	To reduce tax on wood screws	- 15	
Dec. 9, 1878	national-bank notes. Vote to recoin trade dollars Vote for allver and against national banks	104	71	Aug. 27, 1890 Aug. 28, 1890	To reduce tax on tobacco	20	
Jan. 15, 1879	To make Treasury notes receivable for duties and imports.	106		Aug. 27, 1890 Aug. 28, 1890 Aug. 29, 1890 Aug. 30, 1890 Sept. 1, 1890	To make wool free.	17	
Apr. 19, 1879 May 24, 1879	Vote increasing legal-tender power of silver RECORD, page 1600—On vote for free coinage	100		Do	To reduce tax on blankets, flannels, wool hats,	18	3
Apr. 5,1880	of silver. That the \$782,000,000 in bonds which were redeemable should not be funded beyond the	73	90	Do	To reduce tax on women's and children's dress goods, etc.	10	
	power of the Government to call in such ob- ligations, and that the mints should coin standard silver dollars to their full capacity.	1		Bept. 4,1890 Do	To reduce tax on burlaps and bagging for cotton To make bagging of cotton free	_ 24	
Jan. 17,1881	On a refunding bill which sought to destroy national bank system.	320		Sept. 5, 1800	. To reduce tax on collars and cuffs	17 21 17	
May 18,1882	On motion of Randall, Holman, and Bland to restrict national banks.	1		Do	steel.		1
May 19, 1882	est of people, against national banks.	76		Do	or other fiber excent hemn or flav		
May 19, 1882	Mr. Jones's motion to restrict national banks. Springer's amendment to abolish excessive taxes.	76	119	Do Sept. 6, 1890	To make lumber, sawed boards, etc., free	1 22	7
June 27, 1882		1	124	Do 1000	To reduce tariff on all imports exchanged for		
Apr. 15, 1884 Apr. 8, 1886	Vote on Morrison tariff bill in the House	151		Do	farm products grown in United States. To make all articles necessary for the con-		

Votes in the Senate upon Democratic financial measures, etc.-Continued.

Date.	Character of measure.	Democratic votes against monopoly and for the people.	Republican votes for monopoly and against the people.
Sept. 9, 1890 Do	To strike out bounty on sugar That McKinley tariff tax shall not affect bonded goods for one year.	23 28	34 34
Do	To admit goods free from nations which admit our farm and other products free.	26	38
Do	To levy a tax of 3 per cent upon dividends, in- cluding interest on bonds of corporations,	24	30
Do Do	Mr. Butler moved to make bagging, etc., free To prohibit any tax duty exceeding 100 per cent.	24 25	29 33
July 1,1892 Oct. 28,1893	On passage of bill for free coinage of silver On vote to require the coinage of not less than 2,000,000 ounces of silver per month.	19 23	18 20
Oct. 30,1893	On vote for unconditional repeal of purchasing clause in Sherman act.*	21	24

* This vote was not regarded as partisan or political.

I will now make some reference to the political organizations called the Greenback party, Populist party, or Third Party.

The elections of 1874 and 1876 were very favorable to the Demo-

crats, and the Republican party clearly saw that unless the Democracy could be divided the Republicans would be overwhelmingly defeated. The Greenback party sprang into existence, and elected some dozen Greenback members to the Forty-sixth and Fortyseventh Congresses. In some cases it was contended that these Greenback members were aided in their elections by money furdisceptive promises many men who had been good Democrats were deceived and enticed into casting their votes for Greenback candidates, thus detracting from the power and strength of the Demo-

Many of the Greenback candidates in part won their elections many of the Greenback candidates in part won their elections by denouncing Democrats whom they were trying to defeat as not sufficiently Democratic, but after securing their elections they voted in Congress with the Republicans and against the Demo-crats upon many matters of vital importance to the interests of

the people. GREENBACKERS VOTE AGAINST THE PEOPLE.

Most of these votes against the people and in favor of monopoly Most of these votes against the people and in favor of monopoly were viva voce, or upon division, or upon votes by tellers, of which, of course, there is no record; and sometimes, when the yeas and nays were demanded, they voted with the Republicans, but frequently, when votes were taken by yeas and nays, they refrained from voting. But notwithstanding this, a glance at the Journal and the Congressional Record shows that the Greenbackers were often recorded as opposed to Democratic measures and to were often recorded as opposed to Democratic measures and to measures which they had promised their constituents to support. To illustrate:

On April 5, 1879 (RECORD, page 257), a Greenbacker, who was elected protesting that he was a better Democrat than his opponent, moved to strike out the sixth section of the Army bill, viz, that part of the bill which prohibited the use of soldiers and marshals at the polls. The same Greenbacker on June 26, 1879 (Record, page 2365), sought by amendment to defeat the bill which required nonpartisan jurors in Federal courts. He also made a speech for the amendment, which is on page 2365, Forty-sixth

On June 10, 1879 (RECORD, page 1908), on the vote in the House to prevent marshals and soldiers from controlling elections in the South, when the yeas and nays were called 102 Democrats voted for the bill, 84 Republicans against it, and 13 Greenbackers refrained

from voting.

The Greenbackers therefore showed they were clearly in favor

of having elections controlled by soldiers and marshals.

On another vote on the same bill 13 Greenbackers refrained from voting upon the call of the yeas and nays.

On June 27, 1879 (RECORD, page 2397), the House voted upon a bill which prohibited the use of marshals and soldiers at the polls; 13 Greenbackers refrained from voting.

June 30, 1879 (RECORD, page 2443), the bill was vetoed, and the same day it was voted upon in the House; 14 Greenbackers re-

frained from voting.

In December a bill was voted upon to prevent officers of the Government from intermeddling in elections by threats or men-aces, or contributions of money, or the use of official patronage. The Republicans voted against this, and when the yeas and nays were ordered 13 Greenbackers refrained from voting.

On January 12, 1880 (RECORD, page 289), 4 Greenbackers voted with 99 Republicans against free trade on salt, and 6 Greenbackers refused to vote, and thus aided the Republicans in defeating

this effort of the Democrats to give the people free salt; and on March 8, 1880, upon the same subject, 7 Greenbackers voted with 97 Republicans.

March 8, 1880 (Record, page 1385), on Mr. Samford's bill to reduce the tariff on articles used by the poor 50 per cent, 8 Greenbackers voted with 102 Republicans against the measure.

March 23, 1880, on Mr. Townshend's bill to put salt and many other articles on the free list, 5 Greenbackers voted with 100 Re-

other articles on the free fist, a Greenbackers voted with 100 Republicans. On a second vote regarding the subject, 8 Greenbackers voted with 108 Republicans, and on a third vote on this subject 7 Greenbackers voted with 105 Republicans.

In the Forty-sixth and Forty-seventh Congresses there was a great struggle on the part of the Republicans to obtain an unfair apportionment of representation in Congress, which was unduly force that the Republicans and did great injustice to Depresentation favorable to Republicans and did great injustice to Democrats.

March 3, 1881 (RECORD, page 2434), on this question 6 Green-backers voted with the 110 Republicans on the bill favorable to Republicans.

On the same day, on another vote favorable to Republicans, 11 Greenbackers voted with 116 Republicans, and on the passage of the bill, which was favorable to Republicans, 12 Greenbackers voted with 114 Republicans, and on the passage of the bill in the Forty-seventh Congress 6 Greenbackers voted with 136 Republicans. On Mr. Beltzhoover's amendment, which was favorable to Democrats, 3 Greenbackers voted against it with 129 Repub-

June 27, 1882 (RECORD, page 5415), on Mr. Springer's amendment to repeal all internal-revenue taxes except taxes on whisky, Democrats all voted for it, Republicans all against it, and the Greenbackers refrained from voting.

March, 1882, upon the vote to increase the powers and privi-leges of national banks, which was favorable to monopoly, 2 Green-backers voted with 99 Republicans, and against the people.

On motion to reconsider the vote, 4 Greenbackers voted 105 Republicans.

On Bayne's amendment in favor of monopoly, 7 Greenbackers voted with 95 Republicans.

On Buckner's amendment favorable to the people, 8 Green-backers joined 105 Republicans in voting against the people.

February 17, 1882 (Record, page 1251), on Mr. Colerick's amendment favorable to Democrats, 6 Greenbackers voted against it with 128 Republicans. On Mr. Colerick's motion to reconsider, 4 Greenbackers voted with 124 Republicans.

GREENBACKERS VOTE IN FAVOR OF NATIONAL BANKS.

In 1881 Mr. Wood reported a bill to refund the debt in 3 per cent bonds, payable at the pleasure of the United States after five years and payable in ten years. The bill also authorized the issuance of \$300,000,000 of small certificates to be used as currency, which issues could be redeemed after one year. The bill also provided that these bonds and certificates should be used for the redemption of bonds bearing a higher rate of interest, and that after May 1, 1881, these bonds alone should be received from national banks as security for circulation. This would have made 3 per cent bonds sell for at least 115. On this measure, which was very favorable to the people and against the banks, the Greenbackers arrayed themselves side by side with the Republicans in favor of banks and against the people. On January 19, 1881 (RECORD, page 783), the vote was taken

upon the passage the bill; 8 Greenbackers together with 109 Republicans voted against the bill and 125 Democrats for it. Upon another vote 10 Greenbackers voted against it together with 104 Republicans. Upon the return of the bill from the Senate 7

Greenbackers voted against it together with 86 Republicans.

The Greenbackers who voted against this bill were De La Ma-Ford, Forsythe, Gillette, Jones, Lowe, Murch, Weaver, Wright, Yocum.

To show that this bill was favorable to the people and against national banks, and that the Greenbackers voted against the bill with the full knowledge of this, I will read from a speech delivered by General Weaver January 19, 1881 (RECORD, page 776). In speaking of this bill he says:

First. By the law as it now stands national banks may use any and all kinds of Government bonds to secure their circulation.

Second. They may deposit in pledge bonds upon which all interest has ceased.

ceased.

Third. These banks may, whenever and as often as they see proper, retire and in turn increase their circulation by depositing lawful money with the Secretary of the Treasury. Now, all three of these privileges are taken away by the provisions of this bill.

It showed that President Hayes fully understood the bill was against national banks when he vetoed it on March 3, 1881. (Record, page 2433.) The veto message says:

I should not deem it my duty to interpose my constitutional objection to the passage of the present bill if it did not contain, in its fifth section, provisions, which in my judgment, seriously impair the value and tend to the destruction of the present national banking system of the country. This system has now been in operation almost twenty years. No safer or more beneficial banking system was ever established.

Now, the bill passed the House by only 10 majority, and the Democrats saw clearly they could not pass the bill over the President's veto by a two-thirds veto. Therefore, Mr. Tucker (Record, page 2434) moved that the veto message lie on the table, to be called up hereafter, and on this 5 Greenbackers veted with the Republicans and against about 125 Democrats, including such men as Carlisle, BLACKBURN, Blount, CULBERSON, Forney, Hatch, Hooker, Kenna, McMillin, Mills, Morrison, Reagan, Springer, and Stevenson. It seemed very strange to see Greenbackers, who were elected on a pledge to oppose national banks, vote against this measure.

GREENBACKERS AID REPUBLICANS TO VIOLATE THE CONSTITUTION

March 29, 1882, on the vote to violate the Constitution and destroy time-honored rules of the House of Representatives and give unbridled authority to the Republicans, all the Greenbackers present voted with 144 Republicans.

This vote is recorded in the RECORD, page 4329. Had these Greenbackers refrained from voting, the Republicans would not have been able to commit this outrage upon the Constitution.

In their efforts to prevent this outrage the Democrats exhausted every effort possible, and they would have succeeded had not the Greenbackers joined hands with the Republicans.

On the morning of May 29, 1882, before the Republicans were able to reach the vote to which I have referred, the Democrats succeeded in forcing four yea-and-nay votes. The first is recorded on page 4805 of the CONGRESSIONAL RECORD, and every Greenbacker present and voting is recorded as voting with the

Republicans.

The second is on page 4325, the third is on page 4327, and the fourth is on page 4328, and in each case the Recond shows that every Greenbacker present and voting cast his vote with the

Republicans.

On a vote in the House to seat a negro—Lynch—in place of a white Democrat, 5 Greenbackers voted with 120 Republicans.
On vote to unseat a Democrat—Dibble—and seat Mackey, a Republican, 7 Greenbackers voted with 140 Republicans.

On vote to unseat Tillman, a Democrat, and seat a negro—Smalls—4 Greenbackers voted with 140 Republicans.
On vote on the previous question of unseating General Shelly, a Democrat, 5 Greenbackers voted with 188 Republicans.
On vote to unseat General Shelly, 5 Greenbackers voted with

140 Republicans

The Greenbackers commenced their career of joining their votes to the votes of Republicans and against Democrats at the beginning of the Forty-sixth Congress. On March 19, 1879, page 27 of the Record, and before that Congress had been in session two hours, Mr. Frye, a Republican from Maine, made a motion to prevent Mr. Hull, a Democrat, from being sworn in as a member, the purpose being, if possible, to seat Mr. Hull's opponent, who was an extreme radical Republican. This was an insult to a sovereign State, the governor and secretary of state of said Commonwealth having certified to the member's election. Eleven Greenbackers voted with 126 Republicans for this outrage, and 140 Democrats voted against it. Mr. Harris, a Democrat from Virginia, then moved that Mr. Hull be sworn in as a member. Mr. Garfield called for the yeas and nays, and 12 Greenbackers and 124 Republicans voted against it, and 140 Democrats voted for the motion. The Greenbackers commenced their career of joining their for the motion.

The 12 Greenbackers who voted against seating Mr. Hull were:

The 12 Greenbackers who voted against seating Mr. Hull were: Barlow, De La Martyr, Ford, Forsythe, Gillette, Jones, Kelley, Lowe, Murch, Daniel L. Aussell, Weaver, and Yocum. This vote is recorded in the Record, March 19, 1879, page 28.

The Greenbackers continued their support of the Republican party during their entire career of four years in the House of Representatives, and including the last night of the session, March 3, 1882, when they repeatedly voted with Republicans to unseat Governor Richardson, of South Carolina, and seat a negro named Sampel Lee said neary. Lee having no claim to the seat whatever even nel Lee, said negro Lee having no claim to the seat whatever, even a Republican election committee having made a report that he was not elected. On this vote 4 Greenbackers voted with 119 Repubnot elected. On this vote 4 Greenbackers voted with 119 Republicans to seat the negro and 114 Democrats against it. (RECORD, page 3752.) The Republicans, assisted more or less by the Greenbackers, continued their efforts to unseat Governor Richardson and seat the negro Sanutel Les. Several yea-and-nay votes were had. They are recorded in the RECORD, pages 3753, 3754, 3755, 3750, 3760, 3764, 3772, second session Forty-seventh Congress. The Democrats broke a quorum twice during the contest, and on both occasions the Republicans demanded a call of the House.

March 2, 1883, in the case of Sessinghans vs. Frost. 7 Green-

March 9, 1883, in the case of Sessinghaus vs. Frost, 7 Green-backers voted with 119 Republicans and against 110 Democrats to unseat a Democrat, R. Graham Frost, and seat a Republican,

Sessinghaus. (See RECORD, page 9631.)

GRKENBACKERS VOTE WITH REPUBLICANS FOR HIGH-TARIFF TAX. But worse than all that, in the great struggle made by Democrats to defeat the iniquitous tariff act of March 3, 1883, many of

the Greenbackers voted with the Republicans and against the people. On the vote to establish the Tariff Commission, 6 Greenbackers voted with the 117 Republicans and against 59 Democrats, and on the vote on the bill 4 Greenbackers voted with 136 Republicans against 112 Democrats.

On vote to reduce the tariff tax the Greenbackers very generally voted with the Republicans against the Democrats, and on vote to increase the tariff tax the Greenbackers again voted with the Republicans and against the Democrats.

June 6, 1882, on bill to more than double tariff tax upon woolen goods all the Greenbackers who voted cast their vote with the

goods all the Greenbackers who voted cast their vote with the Republicans for this iniquity.

March 30, 1882, on Tariff Commission, 4 Greenbackers voted with 113 Republicans. On second vote, 6 Greenbackers voted with 124 Republicans. When the bill passed, 7 Greenbackers

voted with 116 Republicans.
On June 6, 1882, 5 Greenbackers voted with 99 Republicans against abolishing the tariff tax on trace chains.

On December 16, 1881, on the election of officers of the House of Representatives, upon the vote whether the officers of the House should be Democratic or Republican, 8 Greenbackers voted with 147 Republicans for the Republican officers and against Democratic officers.

DEMOCRATS SOLIDLY FOR-REPUBLICANS SOLIDLY AGAINST FARMERS.

On April 7, 1882 (RECORD, page 3057), on a vote "to place wool on the free list and to reduce the duties on woolen goods," such as are worn by farmers and laboring people, 187 Democrats voted for it, and 57 Republicans and I Populist [Mr. Otis of Kansas] against it.

Kansas] against it.

On April 9, 1892 (Record, page 3141), upon a vote to admit free of duty bagging for cotton, machinery for manufacturing bagging, cotton ties, cotton gins, and parts thereof, 159 Democrats voted for it, and 44 Republicans against it.

On May 2, 1892 (Record, page 3842), on a vote to put binding twine for farmers on the free list, 176 Democrats voted for it, and 44 Republicans against it.

44 Republicans against it. On July 8, 1892 (RECORD, page 5906), on vote to reduce duty on tin plate and make it free after October 1, 1894, all for the benefit

of farmers and laboring men, 199 Democrats voted for it, and 61 Republicans against it.

All these measures were specially in favor of farmers. With one or two exceptions the Democrats voted solidly for these bills, and the Republicans voted solidly against them.

POPULISTS AID REPUBLICANS TO DEFEAT FREE COINAGE OF SILVER IN 1993

On March 24, 1892, the House voted upon a bill for free silver coinage. Upon Mr. Burkows's motion to lay the bill on the table the vote (Record, page 2544) was 148 yeas and 148 nays. The Speaker then added his name to the negative vote. Every Democrat south of the Ohio River except two voted in favor of silver.

A gold-standard man moved to reconsider the above vote, which motion Mr. Bland moved to lay on the table. The motion was lost by one vote, page 2545. The motion was then voted on and was carried by two votes, page 2546.

Hon. Hosea H. Rockwell was the only man from New York or New England who voted with the Democrats for free silver.

He had been a brave soldier in a white regiment during the war and had been failly elected to Compress her potential where the regiments were the results of the compress that the regiment during the war.

He had been a brave soldier in a white regiment during the war and had been fairly elected to Congress, but notwithstanding this, the Republicans and Populists combined to drive him from Congress and put in his place Henry F. Noyes, who was not elected and who was a colonel of a negro regiment during the war, but was an extreme gold-standard Republican. After a long struggle, they succeeded in getting a vote on this contest on April 22, 1892. This was the supreme struggle for silver and for the people, and every member of Congress fully realized that a vote against Mr. Rockwell was a vote for the gold standard and against the people, and yet, with that knowledge, every People's Party man in this supreme moment deserted their pretended principles and the people and voted with the Republicans against silver and in favor of a gold-standard Republican.

ple and voted with the Republicans against silver and in favor of a gold-standard Republican.

The Populists or third-party men who thus voted against the coinage of silver were Messrs. Baker of Kansas, Clover, Davis, Halvorson, Kem, Otis, Simpson, Watson, and Winn. They all voted with the gold-standard Republicans in the numerous votes, by viva voce, by division, and by tellers, and also in three separate yea-and-nay votes. The first of these yea-and-nay votes is recorded on page 3539; the second on page 3540, and the third on page 3541 of the Record, all on April 23, 1892. Mr. McKeighan withheld his vote twice, but otherwise voted with the gold-standard men. men.

POPULISTS VOTED AGAINST AND OPPOSED SILVER COINAGE IN 1880 On a vote for free and unlimited coinage of silver at the ratio of 17 to 1 (Record, August 28, 1833, page 1004), Mr. Harris and Mr. McKeighan, Populists, voted against 88 Democrats and with 111 Republicans against silver coinage at 17 to 1, and Mr. Baker of Kansas, Mr. Boen, Mr. Cannon of California, Mr. Davis, Mr. Hudson, Mr. Kem, Mr. Pence, and Mr. Simpson sat in their seats

and declined to vote.

On the vote for free and unlimited coinage of silver at the ratio of 18 to 1 (Record, August 28, 1893, pages 1005 and 1006), Messrs. Harris, Krm, and McKeighan voted against 88 Democrats and with 110 Republicans against silver coinage, and Messrs. Baker of Kansas, Boen, Davis, Hudson, Pence, and Simpson sat in their seats and declined to vote.

On the vote for the free coinage of silver at the ratio of 19 to 1 (RECORD, August 28, 1893, pages 1005 and 1006), the vote and action of the Populists, with the exception of Mr. Cannon of California, was the same as it was upon the vote for free coinage at the ratio of 17 to 1.

On the vote for free and unlimited coinage of silver at 20 to 1 (Record, August 28, 1893, page 1006) the vote and action of the Populists was the same as the vote for free and unlimited coinage

On a vote for the coinage of silver at 16 to 1, under the Bland-Allison Act, Mr. Newlands declined to vote. (Record, August 28, 1893, page 1997.)

POPULISTS AIDED REPUBLICANS UNDER MR. REED IN OPPOSING REDUCTION OF TARIFF TAXATION.

On a vote January 5, 1894 (RECORD, page 537), for taking up a bill for reducing tariff taxation and lightening the burdens upon the people, Messrs. Baker of Kansas, Boen, Davis, Harris, Hudson, Kem, Newlands, Pence, and Simpson, Populists, or Third Party men, joined the solid Republican party under the leadership of the arch protectionists, Mr. Reed and Mr. Boutelle, and refused to vote upon the bill, and in this manner made 7 less than a quorum, and thus aided the Republican party in continuing oppressions

and thus aided the Republican party in continuing oppressions upon the people.

On another vote, January 5, 1894 (Record, page 538), the Populists again, in the same way, joined and aided the Republicans in efforts to oppress the people.

Again, on January 5, 1894 (Record, page 538), on another vote, the Populists for the third time, in the same way, joined and aided the Republicans in efforts to oppress the people.

On another vote, the same day (Record, page 539), the Populists, for a fourth time, in the same way, joined and aided the Republicans in efforts to oppress the people.

Again, on January 6, 1894 (Record, page 544), on another vote, the Populists, for a fifth time, in the same way, joined and aided the Republicans in efforts to oppress the people.

The same day (Record, page 545), on another vote, the Populists, for a sixth time, in the same way, joined and aided the Republicans in efforts to oppress the people.

Again, on the same day (Record, page 546), on another vote, the Populists, for the seventh time, in the same way, joined and aided the Republicans in efforts to oppress the people.

the Populists, for the seventh time, in the same way, joined and aided the Republicans in efforts to oppress the people.

On January 8, 1894 (Record, page 565), on another vote, the Populists, for an eighth time, in the same way, joined and aided the Republicans in efforts to oppress the people. The same day (Record, page 570) on Mr. Reed's motion to recommit, the Populists, except Mr. Hudson, for a ninth time, in the say way, joined and aided the Republicans in efforts to oppress the people. The same day (Record, page 571), on the order for the consideration of the bill to reduce tariff taxation and lighten the burdens upon the people, Messrs, Baker of Kansas, Boen, Davis, Harris, Kem, Newlands, Pence, and Simpson refused to vote, and thus joined the solid Republican party under the leadership of Mr. Reed and Mr. Boutelle, and thus sought to prevent legislation for reducing tariff taxation and lessening the burdens upon lation for reducing tariff taxation and lessening the burdens upon

The RECORD shows that none of these gentlemen were paired upon any of these votes; and the RECORD shows that Mr. Baker of Kansas, Mr. Boen, Mr. Davis, Mr. Hudson, Mr. Kem, Mr. Pence, and Mr. Simpson were present at other roll calls during days that these votes were had.

SOUTHERN DEMOCRATS VOTED SOLIDLY FOR SILVER COINAGE.

On March 1, 1894, the House voted on the bill to coin the silver bullion in the Treasury. Upon the vote to strike out the second section of the bill, so as only to permit the coinage of \$55,156,681, 120 Democrats voted against the amendment and 59 Republicans

Upon Mr. Bland's substitute, 172, nearly all Democrats, voted for it, and only 94, mostly Republicans, against it, and only two members of Congress south of the banks of the Ohio voted against it.

On the vote to recommit, nearly all the Republicans and the Northeastern Democrats, in all 132 in number, voted to recommit the bill. The vote against the recommittal was 168, including every Democrat but one from the South.

Upon the passage of the bill 168 votes were cast in its favor, including every Democrat but one from the South. There were 129 votes cast against it including nearly every Republicans.

129 votes cast against it, including nearly every Republican.

Upon the vote to pass the bill over the President's veto on April 4, 1894, 119 Democrats voted in favor of its passage. The vote against its passage was 114, including almost the solid Republican party aided by gold-standard Democrats, mostly from the North and East. Only two members of Congress from south of the banks of the Ohio River voted against the bill.

June 5, 1894, page 6841, Senator Allen said:

If the \$100,000,000 that were found in the Treasury when Mr. Harrison came into the Presidential office had been judiciously used there would be no necessity to-day for the levying of a tax upon sugar.

POPULISTS VOTED WITH THE REPUBLICANS TO PREVENT AN INCREASE OF CURRENCY

On June 6, 1894, the Populists in a body joined the Republicans and voted against the Democrats on the measure to repeal the 10 per cent tax on State bank issues. There were 102 votes for the of the Ohio River. The votes against the bill included every Republican and every Populist.

I will now present a table showing the recorded vote on thirty-I will now present a table snowing the recorded vote on thirty-six measures introduced by Republicans, in which Greenbackers, Populists, or Third Party men voted with Republicans in favor of these measures, all of which were to benefit banks and monopoly, and against the interests of the people. I also present a table which shows the recorded vote upon thirty-seven measures introduced by Democrats, in which Greenbackers, Populists, or Third Party man voted with Republicans and expired these presents in Party men voted with Republicans and against these measures, in

favor of banks and monopoly and against the people.

In these tables I have included some votes which are purely political, in which Greenbackers, Populists, or Third Party men voted with Republicans to give increased strength to the Republican party.

Votes in the House of Representatives upon Republican measures in the interests of banks and monopolies and against the interest of the people.

Date.	Character of measure.	Demo- cratic votes against banks and mo- nopo- lies and in the	monopolies		
		inter- ests of the peo- ple.	Repub- licans.	Green- backers or Pop- ulists.	
Mar. 8,1890	On referring a bill to reduce taxes to a	84	97	7	
Mar. 23,1880	committee to prevent its passage. Vote to delay and defeat Mr. Town- shend's bill to place salt, printing type, printing paper, chemicals, and materials used in making pa-	04	108	8	
Do	per upon the free list. On Garfield's motion to defeat Townshend's bill by referring it to committee.	84	105	7	
Mar. 8, 1881	On apportionment of representation at 322, which was favorable to Re-	127	110	6	
Do	on motion to fix representation at 319, which was also favorable to Re-	120	116	11	
Do	publicans. On passage of the bill favorable to Republicans.	113	114	13	
Feb. 17, 1882	Mr. Anderson moved to fix the House of Representatives at 325 members.	100	136	6	
Do	On vote favorable to Republicans and against Democratic principles.	95	120	5	
Mar. 17, 1882	On Mr. Cameron's amendment favorable to national banks and to Republicans.	86	90	9	
Do Mar. 20, 1882	On reconsidering the above vote Mr. Kelley's motion to consider the Tariff Commission.	87 55	105 113	4 4	
Mar. 23, 1882	Mr. Kasson's amendment favorable to Chinese.	96	94	3	
May 6, 1882 May 29, 1882	Page 4325 of the RECORD, Mr. Reed's motion to lay Mr. Randall's motion	75	116 142	8	
Do	mand for previous question on un-		142	9	
Do	constitutional rule. On vote to give Republicans unlimited and unbridled authority.		141	9	
May 20, 1882	To seat a negro (Lynch) in place of a white Democrat.	93	120	5	
Do			140	7	
Do			140	4	
Do	On the previous question of unseating Shelly.		138		
May 20, 1882 Mar. 19, 1879	On the vote to unseat Shelly On Frye's motion against Hull and in favor of a Republican.	140	140 126	11	
Mar. 20, 1882	On Tariff Commission	. 58	117	1 4	

13 18 13

*10 1 08 *10

Date.	Character of measure.	Demo- cratic votes against banks and mo- nopo- lies and in the	Republicans and Green-backers or Populists in favor of banks and monopolies and against interests of the people.		
7		interests of the peo- ple.	Repub- licans.	Green- backers or Pop- ulists.	
June 27, 1888 July 8, 1882	On passage of internal-revenue bill. Mr. Kelley's motion to increase tariff on knit goods from 35 per cent to 100 per cent.	77 46	119 106	*1	
July 26, 1882	Motion to recommit Mr. Tucker's bill in favor of free American ships.	71	96	8	
Mar. 3, 1883	To unseat a Democrat (Frost) and seat a Republican.	110	119	7	
Mar. 3, 1883 Do	Vote on tariff bill On vote to seat a negro and unseat a Democrat.	112 114	136 119	4	
Apr. 22, 1992	To unseat a silver Democrat and seat a gold-standard Republican colonel of a negro regiment.	140	72	9	
Do	Motion having the same ultimate purpose.	128 124	74 78	9 10	
Jan. 8, 1894	On Mr. Reed's motion to recommit order for consideration of tariff bill.	181	1114	8	
June 5, 1894	Vote in Senate to continue the	88	81	1	
Do	bounty on sugar for 11 years. Vote in Senate to retain graduated	87	m	1	
June 20, 1894	bounty on sugar for 11 years. Vote in Senate on Peffer's amendment to tax salt.	81	23	1	

Votes in the House of Representatives upon Democratic measures against banks and monopolies and in the interest of the people.

Mar. 19, 1879	On Mr. Harris's motion to seat a Democrat.	140	124	
June 10, 1879	On vote to prohibit marshals and soldiers at the polls.	100	84	
June 27, 1879	On another vote to prohibit marshals and soldiers at the polls.	89	69	
June 30, 1879	Vote on same bill after President's veto.	88	63	
Jan. 12,1880 Mar. 8,1880	Bill to make salt free of duty On motion on Mr. Samford's bill to reduce tariff 50 per cent on many articles used by laboring people, and to make printing paper, type,	90 81	99	
Mar. 23, 1880	and material free. Mr. Nicholls's motion favorable to bill to place salt, printing type, printing paper, chemicals, and ma- terials used in making paper upon the free list.	110	100	
1881	Mr. Wood's bill to refund in 3 per cent bonds, redeemable at the pleasure	124	104	
71	of the United States after one year. When the same bill came back to the	113	86	
Jan. 19,1881	Funding debt and destruction of na- tional-bank system.	125	100	
Dec. 6,1881	On motion to elect Democratic officers	121	147	
May 18, 1882	of the House. Mr. Bland's bill for substituting United States currency for national-	66	114	
May 0, 1882	bank notes. Mr. Mills in favor of resolution that no more money shall be collected than is necessary for the wants of the Government economically ad- ministered, and that the maximum revenue duty should be imposed on	74	194	
May 18,1882	all luxuries. Mr. Buckner's amendment restricting national banks and favoring	56	150	
Do	the people. Mr. Beltzhoover's amendment to pre-	100	120	
Do	vent gerrymandering. Mr. Colerick moved to fix the House of Representatives at 316, favora- ble to the Democrats.	94	128	
Do May 29, 1882	Mr. Colerick moved to reconsider On Mr. Blackburn's motion to delay	99	134	
Do June 6,1882 June 27, 1882	vote on rule, page 4305. On Mr. Kenna's motion, page 4327 On bill to abolish duty on trace chains. On Springer's amendment to abol-	67 56	143 99 119	
Apr. 7,1893	ish excessive internal taxes. On vote to reduce tariff tax on woolen	187	57	
Aug. 28, 1803	clothing used by laboring people. On vote for free and unlimited coin-	88	111	
Do	age of silver at 17 to 1. On vote for free and unlimited coin-	88	110	
Ang. 28, 1803	age of silver at 18 to 1. On vote for free and unlimited coinage of silver at 19 to 1.	87	100	

Votes in the House of Representatives upon Republican measures in the interests of banks and monopolies, etc.—Continued.

Date.	Character of measure.	Democratic votes against banks and mo- nopo- lies and in the	Republicans and Green- backers or Pop- ulists in favor of banks and monopolies and against in- terests of the people.		
		interests of the peo- ple.	Repub- licans.	Green- backers or Pop- ulists.	
Do	On vote for free and unlimited coinage of silver at 20 to 1.	73	105	*10	
Jan. 5,1894	On vote to take up bill to reduce tax- ation.	109	* 119		
Do	do	167	* 118		
Do		168	* 116		
Do	do	166	* 115		
Jan. 6, 1894		168	* 112		
Do		168	* 114		
Do		168	* 115	*	
	do	190	*112		
Do	do	184	*114		
June 6, 1804	On vote to repeal 10 per cent tax on State bank issues.	102	88		
June 5, 1894	Vote in Senate to abolish bounty on sugar.	38	30		

*In votes thus marked a portion and sometimes all of the Populists and Republicans refused to vote; I therefore classify the Populists as joining the Republicans against the measures.

DEMOCRATS THE ONLY TRUE FRIENDS OF THE PEOPLE

This record gives abundant proof that Populists, Greenbackers, or Third Party men, under whatever name they may appear, have repeatedly aided the Republicans in thwarting the efforts of Democrats to legislate in the interests of the people. It shows clearly they have aided the Republicans in perpetuating the national-bank system, in perpetuating the gold standard, in maintaining high tariffs, in force bills, and in controlling elections by soldiers and marshals, and other obnoxious and pernicious legislation by which the Republicans have added wealth to the rich and increased the poverty and suffering of the great mass of the people; and the evidence is clear beyond question that the leaders of the Greenback, Populist, and other Third Party movements in the South seek and receive financial aid from the Republican party, and the proof is also abundant that their leaders promise in return to support tariff and other legislation which they must know is destructive to the farmers and other laboring people of the Southern tive to the farmers and other laboring people of the Southern

States.

We all remember how Mr. Henderson, a Republican member of Congress from Iowa, showed that in 1880 General Weaver ran for President to aid General Garfield, or, as Mr. Henderson expressed it, as the tail of the Republican kite.

The proof is abundant that Chris Magee, of the Republican committee, came to Alabama in 1892, and that the Weaver electors were pledged to vote for Harrison, provided by so doing they could defeat the Democratic party and reelect Harrison President of the United States; and in 1894 the opponents of the Democratic party in Alabama secretly arranged with those high-tariff, forcebill Republicans, Senators Hoar and Lodge and other Republicans of the Senate and House by which, in return for money, the Populists or Jeffersonians of Alabama were in future to give their support to the Republican party.

Senator Hoar, in speaking of Captain Kolb, says:

We all believe that this movement is of the utmost importance: that it is

We all believe that this movement is of the utmost importance; that it is the most promising fact that has taken place in the history of the South for many years.

Senator HOAR also says:

That if he succeeds the solid South is broken and that the success of the cause of protection is assured.

Senator Hoar also says to his Republican associates:

I have no doubt that the forces that he leads will be found acting with us in all great essentials in the future.

The New York Sun says:

The Home Market Club has sent out circulars marked "In confidence," seking to raise this money.

The circular closes in these words:

Prudence requires that strict privacy should be observed in raising the money. There is so much prejudice in the South that it might be fatal to the cause to have it become known the Kolb party receives any aid from New England. We pray you, therefore, to avoid seeing any but discreet men, and to impress upon them the importance of secrecy.

This exposure is only corroborative of the evidence furnished by the records of Congress which I have given in this speech. Here we have positive proof that the leaders of the opposition to

the Democratic party in Alabama have convinced the authors of the force bill and the arch protectionists, Senators Hoar and Lodge, that they and their followers will be found acting with these Republican leaders in the future.

The evolution has been rapid. Two years ago the opponents of the Democratic party in Alabama publicly proclaimed themselves as the purest Democrats, as better Democrats than the body of the Democratic party. At the same time they were secretly pledging themselves to support the most obnoxious Republican measures and principles; and now they have joined themselves with the solid Republican party of that State, and if a gold-standard Republican is elected President they will be the foremost in demanding Republican patronage.

This record should admonish every true lover of his country

This record should admonish every true lover of his country that there is but one way on earth to restore our country to peace and prosperity; that there is but one way to reestablish the South and the rural sections upon the principles which governed when we were happy and prosperous, and that one way is to place every Department of the Government under the control of true and unquestioned Democrats.

POPULIST BILLS INJURIOUS TO THE SOUTH.

I have before me four bills, introduced in the last Congress by Populists, which I submit would, if enacted into law, do more harm to the people of the South than any measures ever proposed in Congress, unless we except the force bill and confiscation bills which were introduced soon after the close of the war.

bills which were introduced soon after the close of the war. House bill 3186, by Mr. Hudson, a Populist, provided—

That all pensioners for service in the Federal Army and Navy during the war may receive in one payment ten times the annual amount of the pension.

This would cost the Government this year \$1,500,000,000. House bill 3436, by Mr. Davis, Populist from Kansas, provides—

That the mortgage debt of any mortgagor of real estate used as a home or for support, shall be paid by the United States where an appraisement board finds the estate to be worth the full amount of the mortgage, and the debtor shall be allowed to redeem his property from the United States within twenty years by paying an interest of 1 per cent per annum.

It is estimated that this would enable persons to get money of the United States for twenty years at 1 per cent interest to an amount exceeding \$12,000,000,000.

The rich and influential owners of real estate in cities would be the first beneficiaries, and the Government would become bankrupt before the farmers could get any benefit from the act.

House bill 3437, by Mr. Davis, Populist, from Kansas, provides for-

Granting a pension of \$10 to \$25 per month to all soldiers or sailors of the Union Army and Navy in the late war, and also to widows and minors; this to be in addition to disability pensions granted under present laws.

The Commissioner of Pensions estimates that this bill would increase our annual disbursements for pensions to \$460,000,000 for the coming year.

House bill 6767, by Mr. Davis, Populist member from Kansas:
Directs the immediate enlistment of 500,000 men to be fed, clothed, paid, and provided for the same as the Regular Army; said army to be employed on works of public improvement, canals, rivers, and harbors, irrigation works, public highways, etc.

As the present Army of 25,000 men costs over \$23,700,000 a year, the cost of simply the clothing, food, pay, etc., of this proposed army of 500,000 men would probably exceed \$474,000,000.

If these bills should go into effect it would require the disbursement this year by the United States Government of \$14,434,000,-

If these bills should go into effect it would require the disbursement this year by the United States Government of \$14,434,000,000, which is more than forty times the entire income of the United States, and as the entire amount of gold, silver, and paper money circulation of the world is only \$10,037,568,000, the proposed expenditure this year by these four Populist bills would be one-half greater than all the money in the world. And yet these bills are only a few of the many impracticable measures which the Populists in Congress have prepared to have enacted into law.

lists in Congress have prepared to have enacted into law.

The only possible way to raise this stupendous sum would be by a direct tax, and as the Constitution provides that direct taxes be apportioned according to population the amount Alabama would be required to pay this year would be \$350,000,000. This would be about double the assessed value of all the property in that State. It is very clear that the passage and enforcement of these bills would bring bankruptcy and ruin upon all the people in the South.

The Democratic party has always befriended labor by insisting upon the strictest economy in the administration of the Government.

In order to show the difference between Democratic economy and Republican profligacy I have prepared Table No. 1, showing the expenditures of the Government for the seventy-two years from 1789 to 1861, during substantially all of which time we were under Democratic administration.

under Democratic administration.

This table comprises all expenditures of every character, including the cost of all wars—the war of 1812, all Indian wars, the war with Mexico, and the preparation for a war with Tripoli. It is as follows:

Table No. 1.—Total expenditures of the United States under Democratic government from March k, 1789, to June 30, 1881.

Year.	War.	Navy.	Indians.	Pensions.	Miscellane- ous.	Net ordinary expenditures.	Premium.	Interest.	Total expendi tures, includ- ing premium.	
789 to 1791	\$632, 804, 03		\$27,000,00	\$175, 813, 88	\$1 , 083, 971, 61	\$1,919,589,52		\$1,177,863.03	\$3,007,451.5	
792	1, 100, 702, 00		13, 648, 85	109, 248, 15	4, 672, 664, 38	5, 896, 258. 47		2, 373, 611, 28	8, 269, 869, 7	
793	1, 130, 249, 08		27, 282, 83	80, 067, 81	511, 451, 01	1,749,070,73		2,097,859,17	3,846,929,9	
794	2,639,097.59	\$61,408.97	13, 042, 46	81, 399. 24	750, 350, 74	3, 545, 299, 00		2, 752, 523, 04	6, 297, 822, 0	
795	2, 480, 910, 13	410, 562, 03	23, 475, 68	68, 673, 22	1, 378, 920, 66	4, 362, 541, 72		2,947,059,06		
796	1, 200, 263, 84	274, 784, 04	113, 563, 98	100, 843, 71	801, 847, 58	2, 551, 309, 15		8, 239, 347, 68	7, 309, 600, 7 5, 790, 650, 8	
797	1,009,402,46	382, 631, 89	62, 396, 58	92, 256, 97	1, 259, 422, 63	2, 836, 110, 52		3, 172, 516, 73		
798	2,000,522,30	1 381, 347, 76	16, 470, 00	104, 845, 33	1, 139, 524, 94	4, 651, 710, 42			6,008,627.2	
799	2, 406, 946, 98	2,858,081,84	20, 302, 19	95, 444, 03				2, 955, 875, 90	7,607,586.3	
	2,500,878,77	3, 448, 716, 00	31.22	64, 130, 73	1,039,391.68	6, 480, 166, 72		2,815,651.41	9, 295, 818.1	
					1, 337, 613. 22	7, 411, 309. 97	******		10, 813, 971. 0	
801	1,672,944.08	2, 111, 424. 00	9,000.00	73, 533. 37	1, 114, 768. 45	4,981,669.90			9, 393, 499, 9	
802	1, 179, 148. 25	915, 561. 87	94,000.00	85, 440. 30	1, 462, 929, 40	3, 737, 079. 91	************	4, 239, 172, 16	7, 976, 252. 0	
803	822, 055. 85	1, 215, 230. 53	60,000.00	62, 902. 10	1,842,635.76	4,002,824.24		3, 949, 462, 36	7,952,286.6	
804	875, 423, 93	1, 189, 832, 75	116,500.00	80,092.80	2, 191, 009, 43	4, 452, 858.91			8, 638, 907. 6	
805	712, 781.28	1,597,500.00	196, 500.00	81,854.50	3,768,598.75	6, 357, 234. 02			9, 014, 348. 8	
806	1, 224, 355. 38	1,649,641.44	234, 200.00	81,875.58	2, 890, 137. 01	6, 080, 209, 36		3, 368, 968, 26	9, 449, 177, 6	
807	1, 288, 685, 91	1, 722, 064, 47	205, 425. 00	70,500.00	1,697,897.51	4, 984, 572. 89			8, 354, 151. 8	
808	2, 900, 834. 40	1,884,067.80	213, 575. 00	82,576.04	1, 423, 285. 61	6,504,338.85		2,557,074.23	9, 061, 413, 6	
800	3, 345, 772. 17	2,427,758.80	397, 503.84	87, 833.54	1, 215, 803. 79	7, 414, 672. 14		2,866,074,90	10, 280, 747, 0	
810	2, 294, 323, 94	2,654,244.20	177, 625, 00	88,744.16	1, 101, 144, 98	5, 311, 082, 28		3, 163, 671, 09	8, 474, 753, 3	
811	2,002,808.19	1, 965, 566, 39	151, 875, 00	75, 043, 88	1, 367, 291, 40	5, 592, 604, 86		2, 585, 435, 57	8, 178, 040, 4	
812	11, 817, 798, 24	3, 959, 365, 15	277, 845, 00	91, 402, 10	1,683,088.21	17, 829, 498, 70	***************************************	2, 451, 272, 57	20, 280, 771, 5	
813	19, 652, 013, 02	6, 446, 600, 10	167, 358.28	86, 989, 91	1, 729, 435, 61	28, 062, 396, 92	**************	3, 599, 455, 22	31, 681, 852, 1	
1814	20, 350, 806, 86	7, 311, 290, 60	167, 394, 86	90, 164. 36	2, 208, 029, 70	80, 127, 686, 38			34, 720, 925, 4	
1815		8, 660, 000, 25	530, 750, 00	69, 656, 06	2, 898, 870, 47	26, 953, 571, 00		5, 990, 090, 24	32, 943, 661,	
1816		3, 908, 278, 30	274, 512, 16	188, 804, 15	2, 989, 741, 17	23, 373, 432, 58	***************************************		31, 196, 355, 9	
817		8, 314, 508, 40	319, 463, 71	297, 374. 43	3, 518, 996, 76	15, 454, 609, 92			19, 990, 892, 4	
818	5, 622, 715, 10	2, 953, 695, 00	505, 704, 27	890, 719, 90	3, 835, 839, 51	13, 898, 673, 78		6, 209, 954, 03	20, 018, 627, 8	
1819	6, 506, 300, 37	3, 847, 640, 42	463, 181, 39	2, 415, 939, 85	3, 967, 211, 41	16, 300, 273, 44		5, 211, 730, 56	21, 512, 604, 6	
1820	2, 630, 392, 31	4, 387, 990, 00	815, 750, 01	3, 208, 376, 31	2, 592, 021, 94	13, 134, 530, 57	***************************************	5, 151, 004, 32	18, 285, 534,	
1821	4, 461, 291, 78	3, 319, 243, 06	477, 005, 44	242, 817. 25	2, 223, 121. 54	10,723,479.07			15, 849, 552, 8	
1822	3, 111, 981, 48	2, 224, 458, 98	575, 007, 41	1, 948, 199, 40	1,967,996,24	9, 827, 643. 51		5, 172, 788, 79	15, 000, 432, 3	
1823	3,096,924.48	2, 503, 765, 83	880, 781, 82	1,780,588,52	2,022,093,99	9, 784, 154, 59	**************		14, 706, 629,	
1824	3, 340, 939, 85	2, 904, 581, 56	429, 987, 90	1, 499, 326, 59	7, 155, 308, 81	15, 330, 144, 71		4, 943, 557, 98		
1825	8, 659, 914, 18	3, 049, 083, 86	724, 106, 44	1, 308, 810, 57					20, 273, 702, 6	
1826	3, 943, 194, 37				2,748,544.80	11, 490, 459, 94			15, 857, 217. 8	
		4, 218, 902. 45	743, 447. 88	1,556,593.83	2,600,177.79	13, 062, 316. 27	*************		17,037,859.5	
1827	3, 948, 977. 88	4, 263, 377. 45	750, 624. 88	976, 138. 86	2,713,476.58	12, 653, 095. 65			16, 139, 167.	
1828	4, 145, 544, 56	3, 918, 786. 44	705, 084. 24	850, 573. 57	3, 676, 062. 64	13, 296, 041, 45			16, 394, 842.	
1829	4,724,291.07	3, 308, 745. 47	576, 344. 74	949, 504, 47	3, 082, 234. 65	12, 641, 210, 40			15, 184, 053,	
1830	4, 767, 198. 88	3, 239, 428, 63	622, 262, 47	1,363,297.31	3, 237, 416.04	13, 229, 533. 33			15, 142, 108.	
1831	4,841,835.55	3, 856, 183, 07	930, 738. 04	1, 170, 665. 14	3,064,646.10	13,864,067.90	**************	1, 373, 748. 74	15, 237, 816,	
1882	5, 446, 034, 88	8, 966, 370.29	1, 352, 419. 75	1, 184, 422, 40	4, 577, 141. 45	16, 516, 388, 77			17, 288, 960.	
1833	6, 704, 019. 10	3,901,356.75	1, 802, 980. 93	4, 589, 152, 40	5, 716, 245. 93	22, 713, 755. 11		303, 796, 87		
1834	5, 696, 189. 38	8,956,200.43	1,003,953.20	3, 364, 285, 30	4, 404, 728.95	18, 425, 417. 25		202, 152, 98		
1835	5, 780, 156, 80	8,864,900.06	1,706,444,48	1,954,711,82	4, 229, 698, 53					

TABLE No. 1.—Total expenditures of the United States, mostly under Democratic government, from March 4, 1789, to June 30, 1861.—Continued.

Year.	War.	Navy.	Indians.	Pensions.	Miscellane- ous.	Netordinary expenditures.	Premium.	Interest.	Total expenditures, including premium.
1896 1837 1839 1849 1840 1841 1842 1843 1844 1844 1844 1844 1845 1846 1847 1848 1848 1848 1848 1850 1851 1852 1853 1854 1855 1855 1855 1856	2, 908, 971, 95 5, 218, 183, 66 5, 746, 291, 29 10, 413, 370, 59 36, 840, 630, 33 27, 698, 334, 21, 4, 559, 473, 20 9, 697, 924, 59 12, 101, 996, 11 9, 910, 499, 49 11, 722, 922, 87 14, 648, 674, 07 19, 150, 150, 87 25, 670, 121, 03 25, 164, 723, 33	\$5, 807, 718, 23 6, 646, 914, 58 0, 191, 580, 53 9, 192, 2294, 25 0, 113, 896, 28 0, 001, 670, 107 8, 397, 232, 36 6, 499, 199, 11 6, 297, 711, 53 6, 499, 199, 11 6, 297, 711, 53 6, 498, 199, 11 6, 297, 705, 92 7, 990, 635, 70 9, 498, 476, 62 7, 990, 835, 70 9, 498, 476, 62 1, 991, 845, 10 11, 097, 789, 58 18, 387, 066, 11 14, 074, 384, 64 12, 631, 944, 61 14, 076, 324, 64 14, 690, 327, 90 11, 514, 649, 324, 64 14, 690, 327, 90	\$5,037,022,89 4,349,036,10 5,594,101,34 2,528,917,29 2,531,794,80 2,514,877,12 1,109,089,09 578,371,00 1,256,532,39 1,027,036,34 1,539,351,36 1,027,036,34 1,394,161,55 1,088,591,47 2,829,801,77 3,989,494,13 3,989,494,13 1,550,330,55 2,772,900,78 4,534,418,37 4,534,418,37 4,978,238,19	\$2, 882, 797, 90 2, 972, 162, 45 2, 156, 057, 29 3, 142, 750, 51 2, 684, 562, 750, 51 1, 373, 931, 53 890, 941, 12 2, 662, 009, 041, 12 2, 662, 009, 041, 12 2, 662, 009, 041, 12 2, 662, 009, 041, 12 2, 662, 009, 041, 12 2, 460, 886, 68 2, 236, 377, 22 2, 461, 886, 68 2, 236, 377, 22 2, 461, 886, 68 2, 236, 377, 22 2, 461, 886, 08 1, 277, 612, 33 1, 276, 280, 62 1, 376, 306, 20 1, 477, 612, 33 1, 266, 20 1, 477, 612, 33 1, 266, 20 1, 477, 612, 33 1, 268, 27 1, 768, 300, 20 1, 222, 222, 71 1, 100, 802, 23 1, 034, 592, 73	\$5, 393, 279, 72 9, 893, 370, 27 7, 100, 664, 76 5, 725, 996, 89 5, 995, 398, 398, 308, 306 0, 490, 891, 45 0, 775, 624, 61 3, 202, 713, 60 5, 645, 183, 683, 66 5, 911, 760, 98 6, 711, 233, 89 6, 711, 233, 89 17, 388, 982, 18 17, 388, 982, 18 17, 388, 982, 18 17, 388, 982, 18 17, 388, 982, 18 17, 588, 574, 24 17, 455, 608, 45 26, 672, 144, 68 26, 609, 425, 43 31, 794, 688, 87 28, 595, 498, 77 28, 490, 615, 42 23, 797, 578, 400, 615, 42 23, 377, 544, 40 22, 977, 578, 400, 615, 42 23, 337, 287, 698	26, 496, 946, 73 24, 139, 920, 11 26, 196, 840, 29 24, 361, 336, 59	\$18, 231. 43 82, 865, 81 60, 713. 10 170, 683. 42 490, 498. 64 490, 498. 64 872, 047. 30 365, 372. 90 364, 572. 30 574, 443. 06		\$10, 868, 164, 04 37, 243, 214, 24 33, 894, 714, 56 24, 896, 782, 66 24, 314, 518, 11 25, 481, 817, 84 25, 134, 886, 4 11, 789, 992, 51 22, 483, 560, 12 22, 483, 560, 12 22, 483, 560, 12 22, 483, 560, 12 24, 561, 182, 20 47, 518, 220, 6 47, 518, 283, 11 47, 822, 191, 94 48, 164, 487, 7 57, 916, 233, 8 59, 502, 710, 11 69, 111, 722, 9 68, 997, 981, 3 74, 566, 335, 97, 7 68, 997, 981, 3 74, 566, 335, 97, 7 68, 200, 875, 6 68, 200, 875, 6 66, 200, 875, 6 66, 230, 875, 6
Total	562, 914, 213, 39	300,042,168:18	86, 904, 164, 35	80,738,327.06	487, 845, 595, 23	2, 587, 444; 468. 21	5, 834, 626. 94	200, 621, 336, 91	2, 793, 990, 432. 0

It is well to remember that with such a record of Democratic economy the Republican convention which nominated Abraham Lincoln for President denounced the expenditure which averaged \$38,625,351, as reckless extravagance; and yet the same Republican party immediately launched out into an expenditure which during the first few years of Republican administration averaged annually \$835,595,102.61, more than twenty-one times as great as the average expenditure by Democrats.

Republican Platform of 1860 was in these.

The language of the Republican platform of 1860 was in these.**

The language of the Republican platform of 1860 was in these

That the people justly view with alarm the reckless extravagance which pervedes every department of the Federal Government; that a return to

rigid economy and accountability is indispensable to arrest the systematic plunder of the public Treasury by favored partisans.

I call attention to the fact that the year immediately preceding the meeting of this Republican convention the total expenditure of the Government under Democratic appropriations was \$63,200,-875. The convention denounced this as reckless extrawagance, and yet during the first four years of their control of the Government they expended the enormous annual average of \$825,595,-102.61.

I have also prepared Table No. 2, showing the total expenditures during the years of war, from June 30, 1861, to June 30,

It is as follows:

TABLE No. 2.—Total expenditures of the United States under Republican government during the war period, from June 30, 1861, to June 30, 1865.

Year ending June	War.	Navy.	Indians.	Pensions.	Miscellaneous.	Net ordinary expenditures.	Premiums.	Interest.	Total expendi- tures.
1860 1860 1804	\$204, 368, 407, 36 509, 288, 600, 86 600, 791, 842, 97 1, 681, 323, 360, 70		3, 154, 357, 11 2, 629, 857, 77	1,078,991.50 4,983,924.41	27, 505, 599, 46	\$461, 671, 494, 46 690, 610, 878, 56 811, 637, 220, 28 1, 218, 430, 612, 30		53, 685, 421, 60	\$474, 761, 818. 91 714, 749, 725. 17 865, 323, 641. 97 1, 297, 565, 234. 41
Total	2,715,782,211.95	314, 229, 180. 69	18, 174, 276. 41	23, 254, 822, 53	115, 218, 714. 02	3, 181, 759, 205. 60	1,717,900.11	169, 003, 304, 75	3, 352, 380, 410. 46

Also Table No. 8, showing total expenditures from June 30, 1865, to June 30, 1895.

Table No. 3.—Total expenditures of the United States, mostly under Republican government, from June 30, 1885, to June 30, 1895.

Your ending June 30—	. War.	War. Navy.		Pensions	Miscellaneous.	Net ordinary expanditures;	Premium.	Interest.	Total expenditures.
1868 1867 1868 1867 1868 1879 1872 1873 1874 1877 1877 1878 1879 18	46, 885, 456, 30 49, 641, 773, 47	\$43, 324, 118, 52 31, 004, 011, 04 25, 775, 502, 72 20, 000, 757, 97 21, 780, 229, 87 21, 780, 229, 87 21, 249, 809, 92 23, 524, 256, 79 24, 526, 256, 79 24, 696, 935, 36 25, 537, 42 21, 497, 623, 27 15, 125, 244, 959, 935, 36 17, 365, 304, 82 14, 959, 935, 36 15, 688, 687, 16 15, 688, 687, 63 15, 688, 687, 63 16, 682, 046, 26 16, 682, 046, 26 16, 262, 487, 17 17, 262, 001, 44 16, 621, 070, 67 12, 997, 897, 74 15, 141, 125, 80 11, 318, 98, 46 21, 378, 500, 31, 32 20, 113, 898, 48 30, 136, 084, 43 31, 527, 195, 73 38, 777, 775, 73	\$3, 247, 064, 59 4, 642, 531, 77 4, 100, 682, 32 4, 647, 938, 15 7, 042, 938, 15 7, 061, 728, 82 7, 951, 704, 88 6, 692, 462, 08 8, 384, 656, 82 5, 966, 558, 17 5, 277, 007, 22 5, 290, 109, 08 5, 946, 57, 67 6, 514, 101, 09 9, 730, 747, 40 9, 730, 747, 40 9, 730, 747, 40 0, 512, 949, 29 6, 692, 158, 17 6, 194, 637 6, 692, 158, 17 6, 194, 637 6, 768, 046, 67 8, 527, 409, 01 11, 150, 577, 67 8, 547, 27 13, 345, 347, 27 10, 289, 754, 21	\$15, 605, 352, 35 20, 938, 551, 71 23, 782, 386, 78 28, 487, 621, 78 28, 487, 621, 78 28, 486, 202, 17 34, 443, 804, 88 28, 553, 402, 76 29, 350, 428, 86 29, 138, 444, 86 29, 138, 444, 86 29, 456, 216, 22 28, 257, 385, 69 27, 187, 199, 98 35, 121, 482, 39 58, 777, 174, 44 50, 189, 271, 62 61, 345, 193, 95 66, 012, 573, 64 55, 429, 228, 08 56, 404, 864, 63 75, 029, 101, 79 80, 228, 508, 77 87, 628, 101, 40 134, 586, 03, 77 124, 415, 981, 40 134, 585, 035, 77 124, 415, 981, 40 134, 585, 035, 77 144, 177, 284, 38 144, 396, 228, 87	\$41, 056, 061, 54 51, 110, 223, 72 53, 009, 867, 67 56, 454, 001, 53 56, 237, 461, 56 60, 481, 916, 23 60, 984, 757, 42 73, 328, 110, 08 71, 070, 712, 98 66, 568, 373, 78 56, 252, 060, 00 53, 177, 703, 57 65, 741, 555, 49 54, 713, 529, 76 64, 416, 324, 71 57, 219, 750, 88 68, 678, 622, 21 70, 929, 433, 70 87, 484, 258, 38 74, 160, 929, 85 86, 678, 827, 54 87, 484, 258, 38 74, 160, 929, 85 86, 678, 827, 59 87, 987, 484, 258, 38 74, 160, 929, 85 86, 678, 827, 59 87, 988, 827, 59 87, 988, 827, 59 88, 688, 677, 49 88, 1984, 61, 20 881, 463, 258, 49 881, 988, 41, 988, 61 106, 732, 799, 97 101, 433, 455, 85 93, 279, 739, 14	\$387, 688, 198, 79 2002, 947, 733, 87 2209, 915, 689, 915, 689, 915, 689, 915, 689, 915, 689, 915, 689, 915, 915, 915, 915, 915, 915, 915, 91	\$58, 476, 51 10, 813, 349, 38 7, 001, 151, 04 1, 674, 690, 05 15, 998, 555, 69 9, 018, 794, 74 6, 958, 236, 76 5, 105, 019, 99 1, 396, 073, 55 22, 795, 520, 42 2, 1061, 248, 78 8, 270, 842, 46 17, 282, 302, 20 20, 304, 224, 05 10, 401, 220, 61	102, 500, 874, 65 103, 327, 549, 60 95, 737, 575, 11 82, 508, 741, 18 71, 077, 209, 79 59, 169, 131, 25 54, 578, 378, 48 51, 388, 256, 47 50, 580, 145, 97 47, 741, 577, 25 44, 715, 607, 47 41, 001, 484, 29 36, 699, 284, 65 37, 547, 136, 37 23, 378, 116, 23 27, 284, 392, 18 27, 284, 392, 18	\$520, 809, 410, 99 \$377, 542, 677, 10 \$377, 340, 284, 80 \$32, 865, 277, 99 \$309, 653, 500, 73 \$229, 177, 189, 25 \$227, 517, 982, 67 \$230, 345, 245, 33 \$237, 142, 623, 362, 84 \$238, 439, 797, 33 \$238, 600, 008, 93 \$238, 600, 008, 93 \$238, 600, 708, 93 \$238, 600, 708, 93 \$238, 600, 189, 502, 809 \$266, 947, 822, 52 \$266, 947, 822, 52 \$266, 748, 182, 52 \$267, 782, 483, 57 \$266, 448, 137, 54 \$244, 125, 244, 32 \$200, 225, 935, 11 \$242, 483, 138, 50 \$247, 922, 483, 138, 50 \$247, 922, 483, 138, 50 \$247, 922, 935, 11 \$242, 483, 138, 50 \$247, 927, 924, 801, 13 \$290, 228, 978, 25 \$318, 040, 710, 66 \$305, 773, 965, 48 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 586 \$365, 539, 536 \$365, 5
Total	1, 692, 752, 539. 82	652, 928, 000. 62	200, 017, 903. 18	1,846,391,021.44	2, 139, 540, 905. 04	6,540,815,617.64	118, 145, 486. 60	2, 421, 913, 048, 38	9,080,874,152.03

I will also print the appropriations of all Congresses for thirty-two years, with the consent of the House:

Table No. 4.—Appropriations, fiscal year ending June 30, 1867, to year ending June 30, 1897, inclusive, so far as completed.

For year ending June 30—	Congress		griculture.			Diplom and consu	1	District Columbi	of a. a	Fortific tions.	38-	Indian		Legislativeto.		Military Academy.	Navy.
1866	48th, lst seas 48th, 2d seas 49th, lst seas 49th, 2d seas 50th, lst seas 50th, lst seas 50th, 2d seas 51st, 2d seas 52d, lst seas 52d, 2d seas 52d, 2d seas 52d, 2d seas	1 1 1 1 1 3 3 3 3 3 3	(\$253, 300, 00 335, 500, 00 427, 230, 00 405, 630, 00 480, 190, 00 654, 715, 00 692, 730, 00 692, 730, 00 799, 130, 00 (28, 130, 00 (28, 130, 50 (28, 130, 50 (28	\$568, 070 28, 004 23, 574 33, 062 33, 321 27, 719 28, 685 27, 788 27, 788 27, 681 26, 687 27, 681 26, 687 27, 681 28, 755 28, 687 21, 681 24, 681 24, 494 24, 200 24, 41 24, 200 24, 31 24, 31 25, 31 26, 42 27, 62 28, 32 28, 32	, 557, 70 , 241, 83 , 454, 60 , 603, 60 , 603, 60 , 893, 20 , 367, 22 , 580, 60 , 601, 53 , 590, 60 , 801,	1, 180, 3 1, 192, 4 1, 256, 6 1, 296, 7 1, 219, 3 1, 364, 0 1, 429, 9 1, 428, 4 1, 980, 0 1, 710, 8 1, 656, 9 1, 604, 0	47, 00 34, 00 36, 00 59, 00 06, 00 85, 00 97, 50 97, 50 98, 00 98, 00 90, 00	\$3, 425, 997 3, 378, 617 3, 496, 696 3, 597, 247 3, 522, 685 3, 522, 685 5, 682, 695 5, 682, 695 5, 682, 695 5, 682, 695 5, 682, 695 5, 682, 695 5, 597, 122 5, 317, 977 5, 413, 223 5, 545, 675 5, 745, 445 7, 285, 138	35 44 47 96 54 1, 20 1, 20 1, 20 1, 20 1, 20 1, 20 1, 21 1, 21 21 21 21 21 21 21 21 21 21 21 21 21 2	1, 311, 500 1, 627, 500 2, 637, 600 11, 889, 900 904, 900 850, 904 275, 900 275, 900 575, 900 575, 900 575, 900 670, 900 700, 900 700 700, 900 700, 900 700 700, 900 700, 900 700, 900 700, 900 700, 900 700, 900 700, 900 700, 900	0, 00 0,	5, 124, 103 5, 448, 540 6, 349, 425 5, 541, 418 5, 690, 651 5, 690, 651 5, 690, 651 6, 541, 418 5, 690, 564 7, 46, 275 4, 457, 262 4, 587, 866 5, 229, 374 6, 587, 862 6, 77, 862 7, 982, 016 16, 386, 287 7, 982, 016 16, 386, 246 7, 684, 047 7, 584, 046 7, 584, 046 7, 584, 046 7, 584, 047 7, 584, 046 7, 58	60 06 04 90 96 55 55 60 70 58 80 01 91 100 100 100 100 100 100 100 100	15, 057, 868. 25, 438, 371. 23, 400, 191. 27, 906, 317, 20, 364, 774. 18, 949, 258, 18, 971, 785, 17, 120, 496, 20, 783, 900, 18, 902, 234, 15, 450, 345, 15, 450, 345, 15, 271, 251, 46, 287, 457, 678, 508, 20, 654, 346, 21, 396, 141, 21, 306, 141, 21, 307, 152, 17, 678, 508, 20, 654, 346, 21, 396, 141, 21, 306, 583, 615, 21, 396, 184, 615, 21, 396, 757, 674, 21, 900, 132, 21, 855, 802, 21, 896, 585, 802, 21, 896, 585, 802, 21, 896, 152, 21, 356, 583, 21, 891, 718, 21, 300, 752, 21, 365, 583, 21, 891, 718, 21, 306, 583, 615, 583, 21, 891, 718, 21, 306, 583, 615, 583, 21, 891, 718, 321, 306, 583, 321, 891, 718, 321, 306, 583, 321, 891, 718, 321, 306, 583, 321, 391, 718, 321, 300, 822, 300,	09 40 40 40 40 40 40 40 40 40 40 40 40 40	257, 404. 00 1446, 617. 00 188, 913. 00 174, 488. 88 134, 880. 29 1348, 800. 29 1385, 101. 32 1385,	\$111, 587, 528, 95 18, 904, 667, 50 16, 288, 244, 01 17, 356, 389, 00 15, 832, 246, 00 15, 832, 246, 00 19, 520, 280, 282 18, 290, 733, 93 22, 270, 257, 317, 257 18, 290, 733, 94 22, 270, 257, 177, 201, 006, 44 12, 742, 155, 44 14, 152, 908, 27 14, 229, 908, 93 14, 596, 037, 56 14, 490, 472, 56 15, 570, 93, 434, 25 16, 489, 907, 27 16, 489, 907, 27 16, 489, 907, 27 17, 748, 11 19, 942, 855, 33 21, 602, 510, 22 24, 130, 036, 55 22, 104, 061, 52 25, 567, 748, 11 26, 120, 26, 120, 26 25, 567, 748, 11 26, 120, 26 25, 567, 748, 15 21, 644, 654, 72 25, 567, 748, 15 25, 563, 385, 06 22, 104, 061, 52 25, 563, 385, 06 22, 104, 061, 52 25, 562, 719, 93 250, 062, 719, 93 250, 062, 719, 93
Year ending June 30	Congress.	Pension		Office. c	River		Sundry	y civil. I	-	1	Mis	scella-	Tota	al regular mual ap- priations.	Pe	rmanent ual appro-	Fotol on
1806	arth, 1st sees arth, 1st sees 40th, 2d sees 40th, 2d sees 40th, 3d sees 41st, 1st seas 41st, 2d sees 41st, 2d sees 42d, 2d sees 42d, 2d sees 42d, 2d sees 42d, 1st seas 43d, 1st seas 44th, 1st seas 45th, 1st seas 45th, 1st seas 47th, 1st seas 47th, 2d sees 47th, 1st seas 47th, 2d sees 47th, 2d sees 47th, 2d sees 47th, 2d sees 47th, 1st seas 45th, 2d sees 47th, 2d sees 47th, 2d seas 50th, 1st seas	30, 350, 000 19, 230, 000 29, 050, 000 30, 480, 000 30, 480, 000 30, 980, 000 29, 533, 500 29, 533, 500 29, 533, 500 29, 533, 500 29, 533, 500 29, 533, 500 29, 533, 500 29, 531, 574 366, 233, 240 68, 232, 233 116, 000, 000 86, 575, 000 60, 000, 000 88, 152, 558, 700 60, 000, 900 81, 152, 558, 700 61, 237, 238, 388 616, 737, 238, 388 616, 737, 238, 388 616, 737, 238, 388 616, 737, 238, 388 616, 737, 238, 388 616, 737, 238, 388	21,000 23,288 1,00 28,288 1,00 28,288 1,00 28,788 1,00 28,511 1,00 38,789 1,00 36,789 1,00 36,589 1,00 36,189 1,00 36,589 1,00 36,189 1,0	1, 500, 00 1, 025, 00 1, 005, 00 1, 000, 00 1, 153, 00 1, 153, 00 1, 153, 00 1, 153, 00 1, 153, 00 1, 153, 00 1, 163, 163, 163 1, 163 1	3,945, 5,568, 6,102, 5,218, 6,643, 5,015, 8,201, 7,846, 8,951, 11,441, 18,738, 13,949, 14,473, 22,397, 25,156, 21,154, 11,643,	000, 00 900, 00 900, 00 900, 00 000, 00 000, 00 517, 50 000, 00 600, 00 590, 00 300, 0	5, 307, 48, 174, 9, 976, 113, 447, 24, 161, 20, 148, 32, 186, 32, 186, 32, 186, 31, 17, 133, 26, 004, 21, 636, 22, 558, 23, 679, 22, 692, 23, 679, 22, 692, 23, 679, 22, 692, 23, 679, 410, 25, 277, 410, 274, 676, 34, 253, 446, 558, 46, 568, 8, 176, 416, 568, 87, 416, 568, 46, 568, 46, 568, 48, 176, 476, 476, 476, 476, 576, 476, 476, 576, 476, 476, 576, 476, 476, 576, 576, 576, 576, 576, 576, 576, 5	191, 28 1 1970, 28 1 228, 81 2 228, 81 2 228, 81 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	1. 629 1. 7012	277. 70 214. 62 392. 67 222. 85 270. 98 778. 62 708. 46 131. 04 239. 96 148. 60 191. 26 191. 26 177. 06 189. 177. 06 174. 26 174. 26 174. 26 174. 26 174. 26 174. 26 174. 29 189. 15 189. 15 189. 16 189. 17 191. 26 189. 17 191. 26 191. 26	8,5779 9,387 10,277 52,505 32,505 1,286 4,911 1,286 7,192 1,1,286 1,11 1,295 5,611 1,195 5,611 1,915 5	3, 834. 15 8, 877. 15 9, 697. 08 4, 448. 80 7, 988. 31 1, 200. 90 6, 645. 72 1, 208. 90 9, 642. 46 5, 740. 31 1, 014. 13 8, 029. 91 9, 638. 61 1, 540. 10 2, 963. 61 1, 540. 10 2, 77, 648. 20 9, 410. 19 1, 901. 49 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 10, 905. 27 11, 531. 10 11, 901. 49 11, 901.	160, 151, 161, 174, 173, 179, 153, 179, 154, 174, 180, 189, 218, 207, 231, 195, 248, 306, 361, 402, 363, 404, 361, 363, 363, 364, 364, 364, 364, 364, 364	631, 691, 68 832, 214, 86 088, 541, 89 089, 541, 89 089, 541, 89 095, 948, 85 719, 777, 94 895, 015, 55 895, 082, 95 895, 082, 95 895, 082, 95 895, 082, 97 895, 085, 082, 16 106, 299, 90 895, 092, 16 106, 299, 90 895, 092, 16 106, 299, 90 1554, 699, 95 592, 149, 23 431, 493, 87 457, 445, 96 519, 191, 21 311, 692, 29 993, 647, 63 710, 588, 09 993, 647, 63 710, 588, 09 146, 613, 25 646, 490, 32 710, 588, 09 646, 490, 32 770, 057, 79 531, 894, 55 770, 057, 79 531, 894, 55 29 156, 085, 29 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08 156, 08	180, 170, 180, 170, 180, 166, 148, 142, 129, 141, 148, 145, 151, 157, 184, 123, 116, 123, 110, 101, 122, 121, 161, 101, 101, 101, 101, 101, 101, 10	487, 577, 04 010, 108, 48 906, 003, 00 906, 003, 00 224, 120, 46 082, 214, 72 684, 318, 52 370, 481, 56 882, 105, 22 230, 207, 82 981, 789, 73 981, 989, 42 053, 181, 973, 52 883, 471, 62 304, 278, 901, 901, 901, 901, 901, 901, 901, 901	388, 342, 513, 7 317, 965, 145, 5 330, 776, 006, 3 831, 801, 902, 61 11, 605, 943, 4 828, 218, 141, 6 828, 235, 564, 2 816, 377, 120, 2 327, 150, 505, 2 325, 606, 291, 8 328, 128, 199, 3 299, 591, 138, 0 296, 606, 694, 2 329, 591, 138, 0 296, 606, 694, 2 332, 407, 204, 8 365, 965, 479, 8 422, 137, 673, 3 364, 297, 875, 2 318, 829, 489, 1 366, 617, 529, 4 367, 617, 529, 5 422, 636, 343, 5 366, 367, 510, 5 368, 367, 510, 5 368, 368, 510, 7 555, 618, 672, 5 5 5 507, 600, 188, 7 5 507, 500, 188, 7 5 507, 5

*The Army appropriation act for 1878 was passed during the special session of this Congress, but for the purposes of comparison is included under appropriations by the Forty-fourth Congress.

†The Army and legislative appropriation acts for 1880 were passed during the special session of this Congress, but for purposes of comparison are included under appropriations by the Forty-fifth Congress.

†As passed the Senate.

†As reported to Senate.

†Fifty per cent of the amounts appropriated for the District of Columbia are paid by the United States, except the amount for the water department, which is paid out of the revenues of that department, and was first included in the bill for 1883.

†Prior to 1861 appropriations for the Agricultural Department were provided for in the legislative acts.

†C The appropriations for the postal service are paid out of the postal revenues, and any deficiency in the revenue is provided for out of the Treasury of the United States.

†Includes \$35,200,000 for pension arrears, appropriated by special act.

†Includes \$25,321,907.35, pension deficiencies for 1890.

†Includes \$20,325,508.34, pension deficiencies for 1891.

I desire to call especial attention to the fact developed by this table that when the Democratic party came into control of the Forty-fourth Congress they reduced the regular annual appropriation \$32,000,000 below the average appropriations by Republicans during the five preceding years. And again, that when Republicans fell into control of the Fifty-first Congress they increased appropriations \$160,000 a year above the average appropriations by the seven preceding Democratic Congresses.

During the five years immediately preceding the Forty-fourth Congress the average regular an-nual appropriations by Republicans were..... \$181,826,331.53

The Democrats then came into control of the House of Representatives and immediately reduced the regular annual appropriations to ... \$149,572,894.44

enth Congress, and they immediately increased

publicans in excess of Democratic appropria-tions of

32, 253, 427.08

264, 652, 624, 96

86, 034, 554, 04

253, 587, 560.05

382, 150, 961. 17

128, 563, 401. 12

525, 018, 672. 59

891, 156, 005.03

11, 375, 859, 52

525, 018, 672, 55

In the Forty-eighth Congress the Democrats again had control of the House and they immediately reduced the annual average appropriations to...
Thus making an annual saving to the people of...
During the six years of Democratic rule in the
House of Representatives following the Fortyseventh Congress the average annual appropria-

The Republicans then obtained control in the Fifty-first, commonly called "the Reed Conand immediately increased the average

gress," and immediately increased the average annual appropriations to.

Which was an increase above the average annual appropriations during the preceding six years, when the House was controlled by Democrats, of.

The appropriations for the last session of the "Reed Congress" exceeded any heretofore made by this country in a time of peace; without including anything for rivers and harbors, the regular appropriations were \$402,531,864.55, and the total appropriations of that Congress were

In 1893, for the first time in a third of a century, the Democrats had control of all branches of the Government, and notwithstanding Republican laws which compelled them to appropriate \$151,-581,570 for pensions, and notwithstanding many other expenses made necessary by Republican laws, they succeeded in reducing appropriations

A reduction below the appropriations of the last last session of the "Reed Congress" of In these calculations I have confined the figures to

the annual appropriations by Congress, regarding that as the most just method of comparison. If we should include permanent appropriations, the comparison with the last session of the "Reed Congress" will be as follows:

Reed Congress, second session.

The first regular session of the Fifty-third Con-gress—the first time in thirty-three years that the Democrats had control of all the executive and both branches of Congress—the appropriations were only.....

A saving of ..

492, 230, 685. 03 82, 787, 987. 56 Already the appropriations in this Republican Congress, which do not include the miscellaneous and some other appropriations, have run up to \$521,877,942.45.

And this and similar legislation run them up until they exceed

any Congress in the history of our Government.

Already the appropriations for this Congress exceed by \$22,000,-000 the average appropriations of the two sessions of the last Democratic Congress

ocratic Congress.

You have alarmed the country with your profligacy. You are destroying industry. You are retarding prosperity. You are placing a yoke upon the labor of this land which is too heavy for it to bear, and I repeat, Mr. Speaker, when I hear the rumbling sounds, the groans of the oppressed people, I tremble—I tremble for my beloved country. [Applause.] I appeal to this House to halt. I ask gentlemen to consider, to reflect.

Labor Commission.

SPEECH

HON. W. JASPER TALBERT,

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan com-mission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. TALBERT said: Mr. Speaker: I offer as a substitute for the bill the following:

Mr. SPEAKER: 1 offer as a substitute for the only the following:
Strike out all after the enacting clause and insert:
"That the Department of Labor shall be an executive department, under the supervision and control of a secretary of labor, who shall be appointed by the President, by and with the advice and consent of the Senate: and section 158 of the Revised Statutes is hereby amended to include such department, and the provisions of Title IV of the Revised Statutes, including the amendments thereto, are hereby made applicable to said department.

"SEC. 2. That there shall be in said department an assistant secretary of labor, to be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as shall be required by law or prescribed by the secretary.

"Sec. 3. That the secretary of labor shall receive the same salary as is paid to the Secretary of each of the Executive Departments, and the salary of the assistant secretary of labor shall be the same as that now paid to the First Assistant Secretary of the Department of the Interior.

"Sec. 4. That all laws and parts of laws relating to the Department of Labor now in existence, as far as the same are applicable and not in conflict with this act, and only so far, are continued in full force and effect." 212, 652, 935, 63 51, 999, 689. 33

Mr. Speaker, I desire on this occasion to submit a few remarks

Mr. Speaker, I desire on this occasion to submit a few remarks for the consideration of the House on this important question now under discussion. And in discussing this labor bill I desire, in connection therewith, to present some views which I have on the general subject of labor, for if there is any one subject that rests on my mind more than any another it is the question of labor and the welfare of those engaged therein.

To occupy a place, as I do, on the Committee on Labor may, in the estimation of some, be a thing of very little consequence and a place of very little or no honor and responsibility. But, Mr. Speaker, if I had been permitted to choose the committee on which I most preferred being placed, I would have chosen the Committee on Labor, for this committee is, or ought to be, the place where many bills and laws looking to the highest good and best interests of labor and laborers originate; it is the place for the laying of the corner stone and mudsill of all material prosperity and industrial progress and all national honor and pride. For, labor being the foundation of all other vocations, whatever benefits and strengthens it benefits and strengthens them.

Mr. Speaker, it is one of the proudest recollections of my life

fits and strengthens it benefits and strengthens them.

Mr. Speaker, it is one of the proudest recollections of my life that I was brought up closely allied with labor and to know what it is to be a laboring man. It has always been the burden of my thought to devise some means by which to aid and dignify labor and to cheer up and relieve the laboring people of our country; for if there ever were any people who need cheer and relief it is the laborers, for history shows that in all ages the laboring man has toiled and tugged and struggled, hardly able to keep soul and body together, receiving only a scant support, while others who know not what labor is have reaped the benefits of it and grown fat and lived in luxury and ease. This has while others who know not what labor is have reaped the benefits of it and grown fat and lived in luxury and ease. This has been the history of the laborer in all countries and nations. Whether he was engaged in Egypt, building great mounds and pyramids, or whether he toiled among the ancient Greeks, or whether he fell in among the "robber barons of the Rhine," or whether he was in Rome, constructing the great cathedrals and edifices for the honored senators and Roman officials; or whether he be engaged in modern Europe, or whether he labors in our own great nation, in Pennsylvania coal mines and iron and steel shops; or whether he toils in the great waving grain fields of Minnesota, or whether he eke out a miserable existence between the cotton rows of Texas and other Southern States; or whether he spends his days in the cane fields of Louisiana or in the orange groves of Florida, or whether he struggles for his mere existence groves of Florida, or whether he struggles for his mere existence in any other field of labor, in the factory or at the forge, the results have been and are still the same. Capital reaps all the reward, and he gets nothing but hardship and toil, and knows nothing of the enjoyment of the luxuries that he labors so hard to produce. But those who do not even so much as turn over

their hands are always ready to scoop it all in.
"It is labor that erects the splendid palace, and yet is forbidden
to enter it; it is labor that makes the silk and broadcloth, and yet is forbidden to wear it; it is labor that spreads the magnificent feast and banquet, and yet is forbidden to taste them; and it is labor that converts the forest into building material for the home,

labor that converts the forest into building material for the home, and yet is forbidden to occupy it."

It is said there are 12,000,000 laborers in this country adding to its wealth at the rate of \$7 per day per capita, but they get less than \$1 each. Now, who gets the other \$6? Important query, and more so the answer.

In 1860 there were but two millionaires in the United States and no tramps, but to-day there are 35,000 millionaires and 2,500,000 tramps. Now, Mr. Speaker, what is the cause of all this? There is most certainly something wrong somewhere, and it should be righted, and in the near future, or there will be trouble and a great deal of it.

As some one has well said. "There is not the slightest reason

As some one has well said, "There is not the slightest reason why the man who labors every working day of the year (and oftentimes Sunday thrown in for good measure) should not able to enjoy not only all the necessities but some of the luxuries of life, especially those that he labors so hard to produce. In short, the man who produces should be as well able to provide for his family as the one who speculates on his productions." For, as has been well said, the cornfield statesman and country schoolhouse orator made this country what it is, saved it intact, and must preserve it, if it is preserved at all. Therefore, Mr. Speaker, I think something should be done to help to relieve this condition of labor and laboring people. Something should be done to dignify labor and to elevate it, and to change that degraded view that most people have of it and to place the laborer where he will be enabled to enjoy at least the necessaries of life that he labors so hard to produce, if not the luxuries.

For this reason, with others, Mr. Speaker, I feel disposed to vote for this measure now before us, if it be properly amended so as to eliminate its objectionable features (the appointive power it vests in the President, etc.), provided I can not get what I want and what I think best—the establishment of a department of labor, etc., in the shape of the substitute I have offered.

I feel that the reasons assigned by the committee that reported this bill for its enactment into law, if applied to the bill as amended or to the substitute, are ample to justify us in supporting it, but I desire, Mr. Speaker, in the course of my remarks to assign some other reasons for its passage after having mentioned in a brief way some of the objects of the measure.

Briefly stated, this commission contemplates a commission to

Briefly stated, this commission contemplates a commission to be composed of 21 members, 7 of which are selected from each of the three great divisions of productive effort—labor, agriculture, and commercial pursuit. Now, Mr. Speaker, this is too many, and the number should be reduced, and the provision allowing each subdivision of the commission a lawyer should be stricken out.

The duties of this commission are to investigate questions pertaining to labor, to agriculture, and to business, and to recom-mend to Congress such legislation as it may deem best upon these

subjects.

Five of the Commissioners from each branch are appointed by the President, and the other 2 are elected by the 5. I am opposed to giving this appointive power to the President and thus increasing his patronage, but think the commissioners who are to represent the several branches of industry should respectively be elected by those who are engaged in that branch. They are all cold 2 000 a year, which is two marks. It should be reduced, and paid \$5,000 a year, which is too much. It should be reduced; and they hold office for two years. There is also a provision which is intended to preclude the possibility of the commission being partisan. The provision which prevents this commission from being perpetual, but limited, is a good one. This bill, as it stands, will cost more than it will come to, and hence I can not vote for it even if the substitute offered by myself fails, unless it be amended otherwise so as to conform to my views.

The first question which naturally arises in the consideration of this measure is, What is the necessity for it? What is the necessity for any legislation on this subject? I desire to meet this question fairly and fully, because it will be relied upon more than any other by those who oppose the measure. They will say that there is no necessity of incurring this expense to simply have leg-islation recommended; that members of this House will at last be islation recommended; that members of this House will at last be compelled to expend the same labor and pass upon the merits of each proposition. These and many other plausible objections will be urged to show that there is no necessity for the creation of a commission as provided in this bill, or even for the establishment of a department of labor, the object of which is to protect labor. I will not take up these objections separately, but simply present an affirmative argument, which I believe meets and overcomes them all at once. I lay down this proposition: There may be a necessity for a commission of experts, composed of an equal number from each of the three great branches of productive industry, for the purpose of technically examining and agreeing upon which legislation may be accorded one branch without being detrimental to either or both the other branches. This necessity grows out to either or both the other branches. This necessity grows out of and is a natural result of modern progress and development in productive pursuits. The world has been progressing rapidly since the commencement of the commercial era, and to-day has reached the highest point of development ever known to man, and in this great march we to-day lead every other nation on the globe. Our labor is more intelligent, competent, and productive than that of any other country. Our agriculture far exceeds that of any other nation, and our business pursuits are without a parallel. The growth and development of these great productive branches has been attended with more or less friction. Each being intent on its own objects, it is not strange that at times they demand things inimical to the best interests of some others.

For convenience sake, in illustrating this subject, let me divide the people of this nation into two classes, the producers and the exploiters. The former includes all labor, agriculture, and busiexploiters. The former includes all labor, agriculture, and dustress (by business I mean not only all commercial pursuits, but manufacturing, mining, transportation, etc.), and the exploiters include capitalists, speculators, money lenders, politicians, and all that class of parasites and drones who filch a living from productive labor by means of their wits and their rascalities. Again, let me divide the legislation proposed in this body and regulating the relations between citizens into two classes: First, that affecting the relations between the exploiter and the weedness. ing the relations between the exploiter and the producer; and second, that affecting the relations between producers of differ-

In considering all the legislation proposed here which affects the relations between exploiter and producer we can manage those questions if we are endowed with honesty, patriotism, and common sense. True, they are often complicated and intricate, but no technical knowledge is necessary to enable a man of ordinary intelligence, properly imbued with devotion to the best in-

terests of his country, and true to his constituents, to detect and expose the selfish greed of the exploiter in bills granting class privileges and immunities, and those endowing vested rights which are really a function of the Government itself. Much might be said upon this feature of the question, but I will take up that

The amount of legislation proposed here which affects the relations between different kinds of products is very great, and has in recent years taken up nearly the whole time of the Congress. The committee rooms are constantly besieged by representatives of different industries desiring to be heard, and every member is flooded with demands in favor of or against legislation of this flooded with demands in favor of or against legislation of this class. I give every member of this House credit for a desire to dispose of all this class of legislation in a manner for the best interests of all concerned, and it is no reflection on our intelligence to say that very few of us are qualified to properly consider all these questions merely at a glance. This is unavoidably true, because they often involve technical detail that can only be mastered cause they often involve technical detail that can only be mastered by a specialist. It is to facilitate the proper consideration of this class of questions (and they comprise the greater portion of legislation offered) that this commission or any legislation in this direction is proposed. The great necessity for this must be apparent, and should, in my opinion, be an answer to all those who object on the grounds previously stated.

Having now shown, as we think, the necessity for a labor commission or for something in this line let use a how it would

mission, or for something in this line, let us see how it would probably be conducted under the provisions of this bill and what the probable result would be. Under a separate department the

work would be done a great deal cheaper.

When legislation is demanded by either of the great branches of production it will be presented to this commission, where both or production it will be presented to this commission, where both the other branches are equally represented, and where all the evidence in favor of and against its passage may be collected and prepared for our reference and an expert examination made as to its merits and demerits. The fact that each branch is represented by only one-third of the commission is a guaranty that no measure in the interest of one branch will receive its sanction if itcoming with the best interests of the other two contents of them. flicts with the best interests of the other two or either of them. This is a great safeguard and will be a great help to us, because we are now often called upon to vote for measures in the interest of one class of producers when we do not know and have no means of ascertaining, for want of expert knowledge along this partic-ular line, its effect upon other equally meritorious industries. Now, right here, I believe that a secretary of labor, as a Cabinet officer, could do this work and do it much more economically, as the Bureau of Labor is already established, upon which the depart-

the Bureau of Labor is already established, upon which the department could be built with an assistant secretary, etc.

Then, too, Mr. Speaker, this commission or this department of labor would be a great educator to our people; for its object, as stated in the title to the bill, is "to collate information, and to consider and recommend legislation to meet the problems presented by labor, agriculture, and business." And in order to do this, it will be necessary for them to thoroughly investigate the causes (so far as they can) of the thousands of strikes and lock-outs we are now having every year; the general downcast condition of the laborer; the constantly falling prices of farm products, and depreciation of farming land values and the generally deand depreciation of farming land values and the generally de-pressed circumstances that surround the farmer; the constant drifting of money into certain channels, and the great centraliza-tion of wealth, etc. And the people will get the benefit of all this information, which will be comprised in their reports from time information, which will be comprised in their reports from time to time, until their labors are finally done. And this will better enable them to know the causes of their general hard times, etc. They will thereby become educated along these lines at least, and it is of the utmost importance that they should, for the laboring people of our country have had sand thrown in their eyes for the last thirty years or more, in the shape of legislation that claimed to be for their relief, when in reality it was directly against them. And it is well that they should be posted on all these points, that they may know how to vote intelligently to send men here who will favor legislation that really is to their interest.

I do not claim that this bill is perfect, or that its workings will

I do not claim that this bill is perfect, or that its workings will be all that could be desired, but I believe it to be a step in the right direction, and it is plain that something is needed.

It may be, Mr. Speaker, that time will demonstrate the necessity for the classification of all productive and useful pursuits into a given number of classes or divisions (say, thirty or forty), and that each class or division have representation according to its numerical extremeth and invertunce in a third house or industrial congress. strength and importance in a third house or industrial congress, or it may be that time and experience will demonstrate the wisdom of abolishing either this House or the one at the other end of the Capitol, and substituting such an industrial house, with equal representation according to industrial pursuit, in the place of the defunct relic of political domination. I wish it understood that I am not advocating this great innovation, but I say time and experience may demonstrate the wisdom of some action along this line, and certainly the present system of two partisan political Houses can, in the light of the experience of recent years, have but few defenders, and just in this connection, Mr. Speaker, I wish to say that I think one of our greatest needs is for a consti-

wish to say that I think one of our greatest needs is for a constitutional convention to be called to right a great many national political evils that are now prevalent.

I am heartily in favor of such a call. Both Houses seem solely intent on conducting matters so as to gain some partisan advantage, while the wants and needs of the great productive interests, the wants and needs of the great masses of the people, are sadly neglected, or even sometimes injured, hampered, plundered, and in places destroyed by legislation for partisan purposes. We now see one House pass a measure known to be popular with the people, which they would not dare pass but for the knowledge, and perhaps agreement, that the other House will defeat it. And in this way, the existence of two political Houses is used by the party machine of both parties to present a smiling front to both the prothis way, the existence of two political Houses is used by the party machine of both parties to present a smiling front to both the producer and the moneyed exploiter, who is scelling legal privileges and immunities by which to appropriate the proceeds of production. And I have only to read you a clipping from a Kansas paper to show you how well they are succeeding in their diabolical schemes. This pertains only to the State of Ohio, but is a fair specimen of the general condition all over the country. The Ohio State board of equalization shows that the appraised value of farm lands in that State has decreased \$98,000,000 in ten years. And yet the National Census Report shows that during the past ten years the wealth of Ohio increased \$243,000,000; while the State has grown \$243,000,000 righer the farmers of the same State have grown wealth of Ohio increased \$243,000,000; while the State has grown \$243,000,000 richer the farmers of the same State have grown \$98,000,000 poorer. Can you explain this curious piece of business? Nobody could possibly have produced that wealth but the farmer and the laboring man, and it rightly belonged to them, but not only were they not allowed this \$243,000,000 of increased wealth, which they themselves had produced, but they had taken from them \$98,000,000 of what they already had. Now, gentlemen, is this right? Is this just? If robbery, theft, and plunder is right then this is right.

Statistics show, too, that while the farmer owns less than 22 per

Statistics show, too, that while the farmer owns less than 22 per cent of the wealth of the country, yet he pays over 80 per cent of the taxes levied and collected. "Two-thirds of the wealth of the country is not assessed one farthing for purposes of taxation, and yet the Government has the power to force every taxpayer in the land to offer his life in defense of that untaxed wealth. With all land to offer his life in defense of that untaxed wealth. With all his tacilities for transportation, which are equal to the productive power of the country, and his accessibility to markets, he is forced to sell his products at prices barely covering the cost of production. In the great agricultural State of Iowa the mortgage indebtedness on farms alone is \$104 per capita; in Kansas, \$165; in Illinois, \$100. And from Maine to the Rocky Mountains, and from the Lakes to the Gulf, the farmers are overburdened with debt." And why is it, Mr. Specker? The farmer and the laborer are the only living people who really and actually produce anything—who bring anything into existence more than we already have. They are the only ones who actually produce wealth; and yet, while it is an admitted fact that the United States is growing richer and richer every year, still these very people who are bringricher and richer every year, still these very people who are bring-ing it about are getting poorer and poorer each day as they toil. Now, if it is a fact that these people toil and work and produce this wealth, and do not get it (or a part of it, anyway), it is simply because they are discriminated against; it is because something in our laws is radically wrong. So let us, at least, take one step in the right direction and pass this bill, or something in this line that is better, which will tend to relieve this condition of affairs

that is better, which will tend to relieve this condition of affairs in a small measure, anyway, by better looking after their welfare. I desire here and now to go on record as one who violently condemns the neglect that the Congress of the United States has given the interests of the producer, and I challenge any man to stand before me and defend the undue prominence given to the wishes of the party machine by the members of the parties in Congress and the servile readiness with which many members respond to and the servile readiness with which many members respond to its slightest request. The party machine in a Presidential contest uses millions of dollars; and the great question which concers every patriotic citizen is, Where do they get it? One does not have to examine far to be convinced that they sell offices and legislation for it. And that is not the strangest part of it. The machine is an autocrat, responsible to nobody, and has nothing expected of it but success. It is not strange that it would resort to any means calculated to secure success. But it is strange that men will come here to fill the high henor of a member in this House, take the oath, and then cooperate with the machine in delivering the goods it corruptly sold, and pander to the wishes of a favored few.

My stand is in favor of less partisan politics and more states

My stand is in favor of less partisan politics and more state manship in Congress; less party and more wisdom, patriotism, and honesty. It is on this high plane that I ask the careful considera-tion of this bill and the substitute I offer. It is a measure calcution of this bill and the substitute I offer. It is a measure calculated to assist those who desire to legislate for the general good. It is not a bill calculated to grant any special privileges to labor, and I feel that I voice the sentiment of the great mass of the producers of this nation when I say that laborasks no special privileges,

and desires none. All that labor needs is a fair and equal oppor-tunity, with no discriminations for or against it; and under our system of government it has a right to demand that at our hands. But has it received it in the past? Has the laboring man been treated as he should have been? The fact that from 1880 to 1886 we had 3,302 strikes in the United States answers the question itself, and the following clipping goes to confirm it:

Seventy persons in the United States are worth \$2,700,000,000; 31,000 people own over one-half the wealth of the country: 100 persons in the United States own \$3,000,000,000 of wealth; there are 1,000,000 people out of work in the United States; there are over 500,000 tramps; 10,000 children die annually in the United States for want of foed; in 1899 there were 57,000 homeless children in the United States; out of 2,000,000 people who inhabit New York City only 13,000 own homes; the last census showed 9,000,000 mortgages in the United States, or one to every seventh inhabitant.

Now, gentlemen, these facts show how one class is pampered and another plundered.

I have the honor to represent a district composed almost exclu-

and another plundered.

I have the honor to represent a district composed almost exclusively of producers. They are industrious, frugal and energetic, patriotic, virtuous, and devoted to principle. They are, perhaps, as prosperous as the average, but they are not as prosperous as they should be, simply and solely because they have been discriminated against; and they understand it, too. They know it, and still they would consider me recreant to the trust reposed in me were I to come here asking any special favors in their behalf. They want no special favors; but I give you warning that they demand justice, and if they do not get it they will know the reason why. The class legislation that has enriched the few at the expense of the many and is now fast concentrating the wealth of the nation in a few hands must be stopped, and that speedily, if the present form of Government is to be maintained by the people who pay the taxes for its support.

I said the laboring people did not ask for class or special legislation. So they do not; but suppose they did; it being an undisputed fact that labor is the foundation of all other vocations, if you pass a law benefiting or strengthening labor (the foundation) would it not benefit and strengthen all that rests on it—and everything does. Therefore everything would likewise be benefited thereby. The stronger the foundation the stronger the structure erected thereon. Whenever the farmer and the laborer cease operations all other avocations and professions will do likewise. Whenever the plow stands still in the furrow the fire will go out in the furnace, the blacksmith anvil will cease to ring, the hum of the factors will be husbed, the meacher in the uninit will be allegaed.

the plow stands still in the furrow the fire will go out in the furnace, the blacksmith's anvil will cease to ring, the hum of the factory will be hushed, the preacher in the pulpit will be silenced, the lawyer will be without clients, the doctor unable to practice, and all industry, enterprise, and business will be utterly paralyzed. But if the plow moves successfully on everything else will follow suit. Therefore let us see to it that it is protected and cared for. Men tell us that the distressed condition of labor, with its millions of tramps, its child labor, its sweat shops, its strikes and its lockouts; the distressed condition of agriculture, with its mortgages and annual losses, and the critical condition of business, with its failures, bankruptcies, and panics, are all the result of natural and unavoidable causes, and that it is impossible to legislate anyone rich; that these people could only get money by giving anyone rich; that these people could only get money by giving full value for it, and so on. But I say that all such arguments are an insult to the intelligence of the producers of this nation. They know (at least they do in my district) that the laws of Congress have enabled certain classes to amass colossal fortunes at the expense of the producer, and hence some have been legislated with recovery and the constant of the producer.

the expense of the producer, and hence some have been legislated rich and many poor. Let me give an example:

Before the war there was a class of men who stayed at home and made large fortunes and found themselves possessed of a vast amount of money after the war closed. The producers, both North and South, at the close of the civil strife went home and went to work in earnest, little dreaming that a more deadly enemy could attack them through their trusted representatives in Congress than the one they had just fought over. But such was the case. This moneyed class, which I shall dignify by the name of exploiters, induced Congress to take their money and give the money for which the bonds were given. The people at the time did not realize the full effect of this exchange, and it passed with only criticism of the interest expense. But time soon demonstrate that the interest was a more bagatelle compared to other effects. The changing of the money of the nation into a bonded debt les-The changing of the money of the nation into a bonded debt lessened the volume of money in circulation; and prices of products and everything else fell accordingly, as I have said before on this

It is easy now to demonstrate that the fall in prices has been such that it will take more of the products of labor to pay the present debt than it would have taken to pay the total debt of 1867. And further, that the payments made from time to time of interest and principal, reckoned in products at prices current at such times, aggregate products sufficient to have three times paid the entire debt in 1867. In addition to this, the productive class was injured in a much greater degree by the disturbed relations between them and the exploiters. The latter had planned this consequent increase in the nurchasing power of traction, with the consequent increase in the purchasing power of money, and they converted their wealth into money, which they offered to loan to the producers, who in their zeal, in the landable effort to prosper by developing the national resources of our great country, borrowed the money, reasonably expecting, as they had a right to do, that the Government would protect each man alike in the enjoyment and possession of the fruits of his labor. But they were mistaken; the Government contracted the volume of money faster than they could reduce their debts, and many a man found himself, after making payments for years according to contract, compelled to let his whole farm go to settle a relatively small balance, which, nevertheless, represented more of the products of his labor at that time than the entire debt did at the time it was contracted. Thus the exploiters not only filched the Government, but they were authorized by law to rob the producer; and their colossal fortunes show how well they have done that.

I say that these and similar acts by Congress have been the most destructive enemies productive labor has ever had. Labor has been betrayed on this floor, where it has sent men to represent it. I do not mean to say that the exploiters came here and bribed Congressmen to betray their constituents; but I do say that I believe the machine of the Republican party became as corrupt as hell itself during its long lease of power following the war. And the men who contributed the campaign funds ran the machine. The only regret I have in laying this charge at the door of the Republicans is that should they return it to the door of the party to which I belong at this time I possess neither the dispositive nor the ability to deny the charge. But I can say and do say that I am a Democrat of the old-fashioned sort that stands upon principle, and do not propose to submit to machine dictation in politics any longer. And I here and now give notice to all concerned that the people must assert themselves and take charge of the Democratic party and run it on Democratic principles, independent of machine domination, or it deserves to be forever wiped from the face of the earth, and it will be done, and the Republican party also.

I have gone over this ground to show that the productive interests have been discriminated against by the laws of Congress; and I have attempted to show that such discriminating laws were not necessarily the result altogether of personal treachery and corruption on the part of the Congressmen who enacted them, but that they resulted from the system of allowing the party bosses to control the legislation. And I have admitted that that system, inangurated and perfected by Republicans, was equally wrong when perpetuated by Democrats.

when perpetuated by Democrats.

Now, I make an appeal to you as statesmen; let us stop all class legislation, and let us as speedily as possible repeal every law that gives one citizen an advantage over another. I believe you will every one agree to that, and if you do, let us accept the substitute I have offered; or if you will not do that, then let us pass the original bill, with the needed amendments, as a means of getting the data and information that will enable us to act intelligently on all questions that pertain to labor, as well as all others.

questions that pertain to labor, as well as all others.

Mr. Speaker, it has been the case for years that the demands of nearly everybody upon Congress, except the laboring classes, have been heeded; but whenever they ask for a measure they are promptly told that "it's unconstitutional," or something of that

It reminds me of the young farmer boy who fell in love with the daughter of one of his wealthy neighbors, to which the neighbor was bitterly opposed. But the girl herself was rather fond of this boy, and gave him considerable encouragement, and he insisted on visiting her occasionally at her home in spite of the protests of her parents. So he called in to see her on one occasion, and while there meal time came on. The dining room being used as a combination dining and sitting room, they were all sitting together in that room, and as the meal was placed on the table the old man gathered all his family around the table and asked the blessing, and did not invite this young man to eat with them at all, which, as a matter of course, very much wounded his feelings, as well as made him angry. But the old gentleman, as he and his family began to eat, said to this young man: "Well, John, is there any news over your way?" "Yes, sir; there is,"he grumly and sharply replied; "dad had a cow tother day that had five calves." "My, my," replied the old gentleman, "that is news, indeed; it's wonderful. Why a cow only has four teats, John; what does that fifth calf do?" "He just stands off like a darned fool and looks on like I'm doing now; that's what he does," replied the boy.

This is the way the farmer and the laborer have to do at Uncle Sam's table; they are the fifth calf, and have to stand off and look on while the favored few dine. But now, gentlemen, let us turn

This is the way the farmer and the laborer have to do at Uncle Sam's table; they are the fifth calf, and have to stand off and look on while the favored few dine. But now, gentlemen, let us turn over a new leaf in national legislation; let us invite them to the table and at least give them a crust or a crumb; let us give them this bill, or something of the kind; let us discriminate against them no longer; let us adopt them into the family, where they can ait down and eat in common with all other businesses and avocations and feel that they are welcome and at home. Let us give give them a department of labor, with a Cabinet officer, or estab-

lish the commission to investigate this great centralization of wealth and power, this grinding down and oppression of labor; for if it long continues, sad will be the fate of our proud and powerful nation, for centralization of wealth and power always precede disintegration, overthrow, and final destruction. "When Rome went down 1,800 men owned all the world;" "when Babylon went down 2 per cent of her population owned all her wealth," and "when Egypt went down 2 per cent of her population owned 97 per cent of her wealth." And to-day, in our own United States, three-fifths of our entire wealth is owned by 34,000 persons; less than one-twelfth of 1 per cent of her population. What does this mean, gentlemen? Do you see anything threat-

What does this mean, gentlemen? Do you see anything threatening in it? Abraham Lincoln showed that he understood something of its meaning even as early as 1865, when he said:

I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war, corporations have been enthroned and an era of corruption in high places will follow; and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people, until all weslth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of the war.

Now, gentlemen, let me urge you, take warning and change your methods of iniquitous class legislation in favor of wealth and capital and do something for labor. "But," think some of these great big bushy-headed statesmen who sit up here on the people's great watchtower and look wise like owls, "the people be damned; we care nothing for them except during election times." And when they cry up to you, "Watchman, watchman, what of the night?" the answer goes ringing back, "All's well; all's well! Plow on, boys; plow on! We'll be down in the fall to get the fried chicken and the votes!" As much as to say, "That's all you poor, ignorant devils are fit for. We've got all the brains; we've got all the intelligence and the learning, and you have none. All you are fit for is to plow and vote for us."

I will tell you, gentlemen, those of you who may entertain such a low idea of our laboring people are wide of the mark. Mr. Mason, a farmer of Virginia, was one of the members of the National Constitutional Convention, and when the Constitution was completed he refused to sign it, having eleven objections. He went back home to his people and was elected to the Senate, but he refused to serve, saying the Government was not a republican form of Government; and at the first session of Congress ten out of eleven of his objections were incorporated in the Constitution as amendments. And this eleventh objection was to the powers given the Federal judiciary; and it was, I think, a very timely objection, for this is indeed a day of injunctions by our courts. Now, this was the work of a common farmer, and, you may say, a laboring man; and none will deny its good, sound, common, practical sense and wisdom, and that it is for the good of the country at large, in spite of the fact that it was originated by a farmer.

Those who may have these mistaken ideas as to the intelligence, and its possibilities, of our laboring people have only to look at history to be convinced of your error. Look back through its pages, and see whence, from time immemorial, have come our grandest, noblest, and greatest men. Did they come from the ranks of those who were born with silver spoons in their mouths, and reared in the lap of luxury and ease, and taught that labor is degrading and disgraceful? No; they came from the ranks of those who were born with pewter spoons in their mouths, and reared in the lap of labor and struggle. Did they come from the ranks of those whose parents were wealthy and dwelt in splendid palaces with brownstone fronts, where the sunlight gently gleamed through stained and painted windows, and laughingly danced upon the beautifully frescoed walls? No; but they came from the ranks of those whose parents were poor, and dwelt in the rude log hut, where the sunbeams slowly entered through the little cabin window and sadly danced upon the crude log walls. Would that on this occasion I were endowed with the powers of oratory to express myself on this question of labor as I would so much like to do. Had I the eloquence of a Calhoun, a Clay, or a Webster I would bring tears to the eyes and aching to the hearts of those who would unfairly treat, abuse, and oppress the laborer. I would gladly reach down and take him by the hand and call him brother and raise him up and place him upon that high, respectable, and elevated plane on which he so well deserves to be placed. And I would, with that eloquence, strive to convert this House from its present goldbug ideas of legislation, and so fill their hearts with the good of the common, laboring class of people of our country that they would, with one accord, rise up in their might, like the true representatives of the people that they ought to be, and put down and wipe out all class legislation, and put only such statutes on our records as would be for the good of the whole people. Soo

Mr. Speaker, I do not think I am a sensationalist or an alarmist;

I do not think I am a communist, or an anarchist, or a socialist; but if I know myself, I am an honest, straightforward, peaceful, but liberty-loving citizen, and one with my country's good at heart and the best interests of all our people; but I do want again, as I have done in nearly every speech I have made on this floor during the short time I have been here, to warn this House of the just and righteous wrath of a disturbed and oppressed, but a proud and determined people. And if you would continue the reign of peace in this country and preserve our grand, proud nation from ruin you must come to the relief of laborers. Already at different times and in different ways their discontent, unrest, and impatience have been manifested; and unless there comes a change, and that speedily, unless the voice of the masses is heard rest, and impatience have been manifested; and unless there comes a change, and that speedily, unless the voice of the masses is heard and heeded, I tell you, Mr. Speaker and gentlemen, that for bearance will soon cease to be a virtue and (while I am by no means in favor of it, and God forbid that it should come) an angry and enraged people will in person appear at the gates of justice well armed and demand their rights in no uncertain way. So now let us delare neace before it is everleatingly too lets and do something for people will in person appear at the gates of justice well armed and demand their rights in no uncertain way. So now let us declare peace before it is everlastingly too late and do something for these people, for when once the flag of retribution and wrath is raised it is too late to cry peace! Peace! Then there is no peace. I will tell you, gentlemen, unless something is soon done I am afraid the day is not far distant when the great laboring element of this whole country will rise up in arms and march to the doors of this great Capitol building and there justly cry out in thunder tones, in the language of the immortal Patrick Henry, "Give us liberty (relief) or give us death." liberty (relief) or give us death."

Labor Commission.

SPEECH

HON. JAMES J. WALSH,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. WALSH said:

Mr. WALSH said:
Mr. Speaker: I favor the appointment of a labor commission and desire to vote for this bill, although I confess the argument that it is an expensive experiment is not without reason. A very short time was given to the discussion of the immigration bill passed the other day—too short a time for such an important subject—because, while some of the friends of the bill as it was introduced professed anxiety to pass that bill in the interests of labor. I am very much afraid that a great many others supported it from entirely different motives. It was aimed principally at immigration from southern Europe—at this time principally Italian—and, as far as we could discover the direction of the law on its face, at illiterates.

All unworthy classes are excluded under present laws. We did not stop to consider all we were doing. We were reversing the policy of our own nation as well as that of every other civilized country. Even under the most distressing circumstances no civilized nation has ever closed its gates to immigrants from other

nations.

China closed herself in, refused intercourse with the world, but in time she was compelled to change her position. Russia com-plained of the Jews—Russia, the most absolute Government on -yet with all its absolutism it did not dare in the face of the earth—yet with all its absolutism it did not dare in the face of the civilized world to close her doors to them, but began by her persecutions of them to do by indirection that which she dared not do by direction; and from nowhere in the civilized world was a more vigorous protest made against that persecution than from these United States. I have received petitions since I have been here asking me to favor the exclusion of all foreigners, especially the Iright the Italian and the Jew and I can not account the spirit here asking me to favor the exclusion of all foreigners, especially the Irish, the Italian, and the Jew, and I can not accept the spirit in which these petitions are written as truly American. I am against the exclusion at this period of our history of any worthy immigrant, no matter what his race or religion may be, and I wish to say that I have had frequent and constant opportunity of seeing perhaps as closely as one could see the conduct and character of the Italian colony in the city of New York, and I can personally refute the statement that they come here temporarily, with no intention of remaining or of becoming citizens in this country. I think the poll lists of the country will tell a different story; so will our real-estate records, and our school rolls, where their children are being educated, where we were educated. There is not a profession or occupation that they are not engaged in, and their national characteristics are such that they succeed in nearly

all occupations. On the whole, they are an intelligent people, and when I say this I am mindful of the fact that a great number of them come here illiterate. That is not their fault; and this fact is shown by their ambition and energy when they reach here. I will not speak of the Irish or the Jew. Ireland was the land of my ancestors, and the success of Irishmen here and the world over ks for itself.

The Jew has demonstrated his ability to take care of himself.

This much I say on the question of excluding immigrants, because I think the bill now before us is much better statesmanship. What all these elements want is direction and information, an opportunity to distribute their labors which will be of advantage to the country of their adoption and of material advantage to themselves. This bill is a step in that direction. I believe it will draw labor from congested quarters and place it where it can best be utilized, and perhaps best paid. I therefore trust that this measure will pass.

The Pickler Pension Bill.

SPEECH

HON. CHARLES H. GROSVENOR.

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 25, 1896.

The House of Representatives being in the Committee of the Whole on the state of the Union for the consideration of the Pickler pension bill—

Mr. GROSVENOR said:

Mr. GROSVENOR said:

Mr. CHAIRMAN: It had been my purpose to speak at greater length on the subject of this bill than I shall feel justified in doing at this time, for there is such a demand upon the committee for time that I will only outline very briefly my views upon the important matter pending here now.

If I had my way I would make some amendments to this bill, I have studied it with a great deal of care in the light of my knowledge and observations of the pension question, and I am going to discuss it as a matter of practical business and not as a matter of politics. It has been one of the hopes and aspirations of my public life that I might live to see the time when the question of pensioning the men who saved the Union in the hour of its peril would cease to be a question that could by any possibility be dragged into party politics. I have always opposed the introduction of political considerations into the management of elemosynary and reformatory institutions in my own State, and in this by a much stronger reason am I impelled to denounce the dragging of the various questions that arise along the line of pensions into the mire and dirt of party politics. I would lift this question out of politics and place it upon a permanent basis that could never again afford an opportunity for manipulation for or manipulation against the interest of the men who are asking for pensions in this country.

Along this line of thought I desire to say that, in my judgment, reversing the opinion that I held upon this floor in the early part

Along this line of thought I desire to say that, in my judgment, reversing the opinion that I held upon this floor in the early part of my service here, I do not believe that the condition to which I am looking will ever be reached and the aim be accomplished until the open door to a pension certificate and to a place upon the pension roll of the country will be simply a certificate of honorable service and honorable discharge, and nothing more.

Mr. PICKLER. That is right.

able service and honorable discharge, and nothing more.

Mr. PICKLER. That is right.

Mr. GROSVENOR. So long as this machinery of the Pension
Bureau throughout the country is maintained, there will be manipulation and political agitation upon this question. There will be
crimination and recrimination so long as we have these pension
boards at the country seats in the various counties of the country
passing upon the degree of disability of the soldier; and so long
as we have a Pension Bureau in Washington that undertakes to
parcel out the generosity of the Government by what General
Harrison very aptly called "the apothecary scale, weighing the
amount of disability," we shall always have this political manipulation and political interference.

I have not time now to discuss my views at large upon this

I have not time now to discuss my views at large upon this question, but I believe there can be no better solution of the problem than to put it on one of two systems, either to draw pension for honorable service, regardless of the length of time, maintaining the disability pensions that exist, for we can not get rid of them, or taking the per diem or length of service system and administering the whole system upon that plan. Now, incidental to our present system, we have abuses and errors that have crept

in, and some of them are sought to be remedied by this bill, and some of them will be remedied by this bill, notably the question of disappearance, the absence, unexplained, of the husband of the applicant for a widow's pension.

Mr. MILES. Will the gentleman allow me to ask him a ques-

Mr. GROSVENOR. Yes, sir.
Mr. MILES. Have we not already provided for that in the bill that has received the signature of the President?
Mr. GROSVENOR. I think so; but it is in this bill again.
That is a wise provision, and I do not stop to inquire who first, in ignorance of the known principles of law and of the rules of evidence of the control of t dence, inaugurated that practice. I do not stop here now to inquire when it was and by whom it was established as a rule of the Department, but I do say that it is greatly to be regretted that such a rule ever was established, for it was a flat reversal of all the rules of evidence which we have had knowledge of ever all the rules of evidence which we have had knowledge or ever since we began to know anything of the rules of law in this country based upon the common law. It was a common-law proposition that if a man disappeared and his disappearance was unexplained for seven years there arose a presumption of his death, and that presumption was only overcome by proof of his being alive, and estates have been administered and distributed being anve, and estates have been administered and distributed upon the adjudication of the death of the owner when the only knowledge of his death was that he had disappeared and that his disappearance was unexplained. And yet it has been within my knowledge that men have disappeared as though the ground had opened and swallowed them up, and for thirty years the Pension Office has refused to admit the death for the purpose of a pension that the refuse widow. for the widow.

Mr. BARTLETT of New York. Do you as a lawyer think it a good practice to reenact a law already in force on the statute

Mr. GROSVENOR. No, sir; I do not. I do not know why this provision is put here. I assume that it is in this bill. I think that during the debate upon that question the chairman of the committee or some member of the committee told me it was

Mr. MILES. That was the force of my question.

Mr. GROSVENOR. If I had the power, and the opportunity were given, I would move to strike out that section if it has already been enacted into law.

Mr. BARTLETT of New York. Will the gentleman allow me to ask him a question?
Mr. GROSVENOR.

Mr. GROSVENOR. Yes, sir.
Mr. BARTLETT of New York. When the leader
original Pickler bill, why did they not strike it out? When the leaders revised the

Mr. GROSVENOR. Mr. Chairman, I do not recognize "leaders" in this matter.

Mr. BARTLETT of New York. Does not the gentleman recognize the fact that he is one of the leaders?

Mr. GROSVENOR. I do not. I recognize myself as barely

able to lead myself in my conduct. Mr. SULLOWAY. I will state to the gentleman that that bill covered only the officers and enlisted men, and this section covers

Mr. GROSVENOR. Then there may have been some reason

for it.

Mr. GIBSON. That is the reason.

Mr. GROSVENOR. That seems to be quite sufficient.

Now let me go forward a few seconds. If I had my way and were it not for the peculiar situation in certain sections of the country I would vote to strike out the first section of this bill; but, Mr. Chairman, I recognize the situation in two or more of the States of this Union among the men to whom we owe the highest obligation that a country can owe to its citizens. There were in East Tennessee, as well as in other sections of the country, large numbers of men who were conscripted by force into the were in East Tennessee, as well as in other sections of the country, large numbers of men who were conscripted by force into the rebel army, and who were as loyal Union men as ever bore arms in support of the Constitution of this country; and it has been impossible under existing law for them to be pensioned.

Now, it is said that this bill will pension a large number of men who are undeserving by reason of their service in the Confederate army, and I fear that that is so; but I know of no way to reach those who are entitled to our favorable action without hazarding exactly the dancer which was complained of by my colleague from

exactly the danger which was complained of by my colleague from

exactly the danger which was complained or by my colleague from Ohio [Mr. LAYTON] on yesterday and by the gentleman from New York [Mr. BARTLETT] this morning.

Mr. MOODY. Let me ask the gentleman, is it not possible to draw a provision more carefully guarded than this, which will include the one class and exclude the other?

Mr. GROSVENOR. I think possibly that may be done, and if it can be done it ought to be done.

Mr. PICKLER. As to the number of these men, let me say that there were only five or six thousand of them at the start. The

rison Administration those men were granted pensions, and those who were wounded or disabled in the Union service have always been admitted to pension. The only ex-Confederates who come in under this bill are those who would come in under the law of 1890, and their number is inconsiderable after all.

Mr. GROSVENOR. I trust that is so, and upon that ground this section is perhaps tolerable. But there is nothing that is more intolerable to a Union soldier, and to those of us who were not Union soldiers, because we have all the same sentiment upon the subject, than the idea of granting pensions to men who voluntarily fought on the other side. I have not any objection to the people of the South pensioning their soldiers. I am glad they do it. I have not any objection to their giving them honor. But I do object to a provision in the law of my country which, under any circumstances, can be made an instrument by which may be any circumstances, can be made an instrument by which may be pensioned the man who deliberately or indifferently went into the service of the Southern Confederacy, and afterwards, when the flag of the Union began to float above the mountains of his native State, came into our service and was honorably discharged in the

Mr. BARTLETT of New York. Does not the gentleman think

The CHAIRMAN. The time of the gentleman has expired.
Mr. GROSVENOR. I ask for ten minutes more.
Mr. MILES. I ask unanimous consent that the time of the gentleman from Ohio be extended for ten minutes.

gentleman from Onio be extended for ten minutes.

There was no objection.

Mr. GROSVENOR. Now, if the gentleman from New York desires to ask a question, I will try to answer it.

Mr. BARTLETT of New York. Do you not think that the provision of the act of March 3, 1877, allowing pensions to ex-Confederates who were wounded or disabled in the Union service in the line of duty is sufficiently broad?

Mr. GROSVENOR. It is sufficient certainly for those wounded in the service; but I do not think that at this late data I would

in the service; but I do not think that at this late date I would make the distinction. With my knowledge of East Tennessee and of the mountains of Tennessee and of some of the men of West Virginia, I do not think I would draw the line on the mere matter of the men being wounded or disabled. It must not be forgotten that there were thousands of men placed in a most pitiable position by reason of the proximity of the Confederates upon the one hand and the Union troops upon the other. War men-aced brothers and sisters, war menaced neighbors and friends, and men were driven from their homes who would gladly have remained and met the Union Army upon its arrival. They were forced either North or South as the exigencies of the occasion required, and I will not be the man at this late date to judge whether the men of East Tennessee and of other sections voluntarily or involuntarily were forced into the Confederate army.

Now, passing along, there are some splendid provisions in this bill which entitled it to the support of every friend of the Union soldier, in my judgment, although I do not wish to raise any controversy with the gentlemen who have drawn lines of criticism

upon some of its provisions.

Mr. McCALL of Tennessee. I understand the gentleman to state that he opposes the idea of pensioning those who have Confederate records, who went voluntarily into the Confederate army, and afterwards left it and joined the Federal Army.

and afterwards left it and joined the Federal Army.

Mr. GROSVENOR. Yes; I am opposed to that.

Mr. McCALL of Tennessee. Did not the Government of the
United States all through the war gladly accept the services of
every Confederate soldier who left that side and swore allegiance
to the Union and joined the Federal Army?

Mr. GROSVENOR. I believe it did.

Mr. McCALL of Tennessee. Then, if that be so, ought not
those men to be placed on the same footing with other Union soldiers?

Mr. GROSVENOR. I do not know, but I would make a slight

difference now

difference now.

Mr. McCall of Tennessee. But it would not be so strong, I hope, as the gentleman stated it at the outset. [Laughter.]

Mr. GROSVENOR. Well, Mr. Chairman, I shall vote for this bill.—I shall do it upon the ground of my personal knowledge of the injustice that has been done to the men of the gentleman's own State and of the States surrounding it. I wish that the third section of this bill had been more definite and certain, but it is present form. Following along very wise section, even in its present form. Following along very rapidly—for I can not go into detail in my limited time—the fifth section of this bill presents a remedy for one of the great evils that we have labored under in connection with our pension system. The idea that there ever was established in the Pension Office a rule in contravention of every rule of evidence known to the courts of the civilized world; a rule making a distinction, in the strength of the evidence presented in behalf of a pension claim, between the man who, by the accidents of the service, had a commission and there were only five or six thousand of them at the start. The statistics show that half of those are dead. All through the Har- having a commission, is something astounding to me. We now

get rid of that distinction, but why it was ever established I do get rid of that distinction, but why it was ever established i do not know. If the distinction was made on the assumption that the man who were shoulder straps was a more truthful man than he who did not, I deny that that basis was a sound one.

These questions ought to be decided by the ordinary rules of evidence, and the question in a court of justice is not a question of the number of witnesses but of the strength of the testimony.

oridence, and the question in a court of justice is not a question of the number of witnesses but of the strength of the testimony. One witness may swear to a fact; he may be the claimant himself. The court is to adjudicate upon the question and is to decide whether that testimony is true. Now, in fact, if the testimony is true, that is an end to the controversy, and any attempt to limit the right of claimants by the quantity or even the quality of the evidence is absolutely absurd in principle and unwise in practice. It is not a fitting limitation upon any judicial tribunal of any character, whether it be a court or a burean of the Government. But we are getting rid of these two evils by this bill, and I am glad of that. These discriminations against the private soldier have been to my mind shockingly absurd. It has come to my knowledge more than once that the Pension Bureau would say to the applicant, "You must furnish the testimony of two enlisted men or of one commissioned officer." What more ridiculous proposition than that was ever made? It grew out of the eld distinction in the life of the Regular Army and has had no justification in law or is morals. The Army that saved the Union was an army of volunteer citizens, not large, but the men who went forth to battle were equal in citizenship, equal in integrity, equal in truthfulness when they went out, and when they came broke they came crowned equal with honor. Now that one of those men should be considered of higher importance than another, simply because one bere a commission and the other an enlistment, is too absurd to merit even defense.

Mr. Chairman, there is another thing. I believe that when a absurd to merit even defense.

absurd to merit even defense.

Mr. Chairman, there is another thing. I believe that when a man who served in the Army and who has been honorably discharged thinks that he is suffering under a pensionable disability, and has made his application and has got it into the form provided by the Government, offered his evidence and gained his ease and received his certificate, his pension should never be taken from him by any process short of that which should deprive him through the interposition of a court of justice of his title and possession to the property which he owns and holds. It is not necessary for the purposes of this argument that I insist that a pension is a vested right to a man who has won his case. It is more than a vested right of property. It is a vested title of nobility. It is a certificate of honorable service; it is a certificate of sucrifice for his country, and I demand that that certificate shall never be revoked by any process falling below in dignity and felling below in accuracy of proof and judgment the taking from falling below in accuracy of proof and judgment the taking from him or from me or from you our houses, our farms, or our stock. He should have notice of the ground upon which it is being sought to take it from him, for it involves something more than the mere

to take it from him, for it involves something more than the mere value of the pension.

It involves his honor, it involves the question of his integrity, it involves the truthfulness of his proofs, and it involves all that is honorable, and no man should be deprived of his pension without the fullest hearing, for there is a stigma which follows as a necessary result of the act that never under any circumstances should be placed on the record of a man who bore an honorable part in the war of his country. It places him in the position of a man seeking something that he is not entitled to, and it brands him in the community. I protest against it, as I have always protested against it. I draw no fine sights, no hair-splitting distinctions, but I stand upon the plain facts and evidence and insist that they shall not be stripped of their rights without due hearing and investigation. The money value of the pension to the beneficiary in nine cases out of ten is insignificant and unimportant accompared with the aspersion that follows such an act as a necessary result of what the Bureau does with reference to it. And so I rejoice, Mr. Chairman, that this section provides that the soldier who was placed on the pension rolls chall not be stigmatized by withdrawing from him this title of nobility without opportunity to be heard in his own interest, as he would be heard in any other claim in which he was a party.

Tenday there is in new indement a plain violation not only of

To-day there is, in my judgment, a plain violation, not only of the spirit but even of the letter of the law. It is equivalent to depriving a man of his property without due process of law, and hence the action that heretofore has been taken in this regard by the Pension Office is in plain violation of the Constitution of the

the Pension Office is in plain violation of the Constitution of the country.

Now, Mr. Chairman, I have no time to go through this bill in great detail, and will possibly avail myself of the opportunity to discuss it later on. What I have to say is that, considering all the circumstances surrounding the action of the Committee on Invalid Pensions, the demand there is for a great deal more beneficial legislation than we are able to furnish the means to supply, the demand for more radical action than has been taken here, and in view of all the difficulties that the situation has presented, I think the bill is so fair and such an improvement on the present

condition of legislation that it ought to be supported by every friend of the soldier on this floor. If there shall be an opportunity later on—I know nothing of the purposes of the committee having the bill in charge—if there shall be an opportunity to make certain amendments here I shall vote for them, certainly for the amendment proposed by the distinguished gentleman from Iowa [Mr. Hepburn], that puts into the bill, and hence into the law, a rule of construction that is due to the men who are the beneficiaries of the pension laws of the country, a rule that is in keeping and in consonance with the assertion of our appreciation of the great and gallant service of these men to the cause of the Union; but if it shall be the will of the House that no amendment is allowed and none adopted, and even if no opportunity to amend the bill be given, I shall vote for the bill as it stands here now. [Applause.] [Applause.]

Labor Commission,

SPEECH

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HON. WILLIAM F. STROWD.

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES.

Monday, June 1, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. STROWD of North Carolina said: Mr. SPEAKER: In deference to the wishes of the leaders of the labor organizations of the country, with a number of whom I have had correspondence, I shall give my vote for this bill. But viewing it from a farmer's standpoint, I fail to see any great necessity for it. I fear that "the play will not be worth the candle."

I think that the trouble all lies in a vicious financial system, under which the country is now groaning, the evils of which were predicted years ago by two great apostles of finance, Mr. Sherman and Mr. Carlisle. In 1869, in regard to the resumption act, Mr. SHERMAN said:

act, Mr. Sherman said:

It is impossible to take this voyage without the sorest distress to every person except a capitalist out of debt or a salaried officer or amutiant. It is a period of loss, danger, lassifude of trade, fall of wages, suspension of enterprise, bankruptcy, and disaster. It means the ruin of all dealers whose debts are twice their business capital, though one third less than their actual property. It means the fall of all agricultural products without any great reduction of taxes. When that day comes every man, as the sailor says, will find himself closereefed. All enterprise will be suspended. Every bank will have contracted its currency to the lowest limit, and the debtor, compelled to meet in coin a debt contracted in currency, will find the coin hoarded in the Treasury, no representative of coin in circulation, his property shrunk not only to the extent of the appreciation of the currency, but still more by the artificial scarcity made by the holders of gold. To attempt this task by a surprise upon the people, by arresting them in the midst of their lawful business and applying a new standard of value to this property without an example in evil in modern times.

In 1878 Mr. Carlible said, in regard to the destruction of the

In 1878 Mr. Carlisle said, in regard to the destruction of the money of the common people—as there seems some doubt as to what Mr. Carlisle said in regard to these things, I will have it read from the RECORD:

CARLISLE IN 1878.

I shall not enter into an examination of the causes which have combined to depreciate the relative value of silver and to appreciate the value of gold since 1873, but I am one of those who believe that they are transient and temporary in their nature, and that when they have passed away or have been removed by the separate or united actions of the nations most deeply interested in the subject, the old ratio of actual and relative value will be reestablished on a firmer foundation than ever. I know that the world's stock of precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate, indeed, if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half of the metallic money of the world is the most gigantic crime of this or any other age.

The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilence, and famine that ever occurred in the history of the world. The absolute and instantaneous destruction of half the movable property of the world, including horses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganisation of society that must inevitably restending the world.

They were prophets as well as apostles then; and if they had remained true to these convictions how well they would have deserved at the hands of their countrymen, how revered and honored by posterity! But, alas, how have the mighty fallen! In

years these prophecies have been fulfilled before your eyes

All these direful calamities are upon the people of this country.

When the contraction of the currency commenced all was peace
and happiness and prosperity. In 1842 Charles Dickens, twentyfour years after silver was demonetized in England, wrote from
Boston, Mass., what was to him the marvelous statement that—

There is not a man in this town nor in this State who has not a blazing fire and meat every day for his dinner. Nor would a sword in the air attract more attention than a beggar in the streets.

The statement could have been made in regard to the United States. But how changed the scene! Now, after twenty-four years from the demonstration of silver in the United States, we have millions of idle men thrown out of employment, tens of thousands of failures of industries and enterprises, and swarms of beggars and millions of tramps all over the land, all attribu-

table to the contraction of the currency.

As another evidence of the direful effect of a shrinking volume of currency I will ask the Clerk to read from the Monetary Commission of 1876:

mission of 1876:

At the end of the Christian era the metallic money of the Roman Empire amounted to \$1,800,000.000. By the end of the fifteenth century it had shrunk to less than \$200,000.000. During this period a most extraordinary and baleful change took place in the condition of the world. Population dwindled, and commerce, arts, wealth, and freedom all disappeared. The people were reduced by poverty and misery to the most degraded condition of serfdom and slavery. The disintegration of society was almost complete. The conditions of life were so hard that individual selfishness was the only thing consistent with the instinct of self-preservation. All public spirit, all generous emotions, all the noble aspirations of man hriveled and disappeared as the volume of money abrunk and prices fell.

History records no such disastrons transition as that from the Roman Empire to the Dark Ages. Various explanations have been given of this entire breaking down of the framework of society, but it was certainly coincident with a shrinking volume of money, which was also without historical parallel. The crumbling of institutions kept even step and pace with the shrinking in the stock of money and the falling of prices. All other attendant circumstances than these last have occurred in other historical periods unaccompanied and unfollowed by any such mighty disasters. It is a suggestive coincidence that the first glimmer of light only came with the invention of bills of exchange and paper substitutes through which the scanty stock of precious metals was increased in efficiency.

That this cause has produced the same result in all nations and

That this cause has produced the same result in all nations and in all ages of the world's history I do not think any well-informed person will deny. See Persia, Babylon, Rome, and Greece.

All legislation apart from that looking to the restoration of sil-

ver and enlarged volume of currency seems to me to be but triffing with this most serious and important question. Three or four years ago the Senate appointed a commission, with Senator George as its chairman—than whom this country never produced a more honorable gentleman, barring the fact that he is a free-silver man honorable gentleman, barring the fact that he is a free-silver man fighting under a goldbug bauner—the expenses of this commission being paid out of the contingent funds of the Senate, to investigate and report the cause of the low price of cotton, which report has been made in two volumes of four or five hundred pages each, thoroughly informing the country on this important matter, which is costing the South more than a hundred million dollars annually. When they came into possession of all this valuable information cotton touched the lowest price ever realized for that startle

we have a Labor Commissioner, whose reports, numbering eight or ten large volumes, all bearing upon this important subject, have produced no good results, as far as I can see. But the "dance of death" goes merrily on.

Chauncey Depew says that fifty men can come together and in the complex sections of the contract the currency as to paralyze every

enty-four hours so contract the currency as to paralyze every

industry in this country.

When the bankers and capitalists desired legislation in their interests during the Fifty-third Congress they could not wait for

interests during the Fifty-third Congress they could not wait for the convening of Congress at the regular time, but it was called together in dog days to repeal the purchasing clause of the Sherman Act, which Mr. Cleveland said was the only menace to the prosperity of the country. But the closing of banks, the suspension of business, and failures of mercantile and manufacturing enterprises went on in regular schedule time. And all the while the screw of oppression has been turned down tighter and tighter upon the agricultural and laboring classes.

You may pass all the laws you will on the tariff question; you may increase or lower every schedule to any amount; you may build a Chinese wall around the products and manufactures of this country by tariff laws, but if they benefit any American citizen it will only be to make a few richer and the multitude poorer. You may pass all the financial laws that can be conceived by the combined wisdom of this House, but until you stop contracting the currency and devise some means whereby the business of the country can be conducted on a cash basis the toiling millions will sink deeper and deeper in poverty and wretchedness.

You may appoint every may in this House, a compositioner of

You may appoint every man in this House a commissioner of labor and let him devote his entire time to the subject, and until they are enabled to see that a money famine is the trouble and go to work to remedy that evil their labors, in my humble opinion, will fail of any good results to the toiling classes of America.

Is it a fact that the devil has bewitched the world on the money question? It is a fact that the love of money is the root of all evil? It is a fact that greed has destroyed all the civilizations of the past It is a fact that greed has destroyed all the civilizations of the past and is fastening her clutches upon ours. And yet this Congress is rather disposed to enlarge the power of the banks by allowing them to issue money to the full face value of their bonds, and to destroy the greenbacks, thereby putting the whole financial interests of the country in their hands.

President Garfield, great in intellect, in statesmanship, and in patriotism, said that he who controls the volume of money in a country controls the labor and all industries of that country. Money being the lifeblood of the nation, should flow from the heart of the nation, and when farmed out to any other power pro-

heart of the nation, and when farmed out to any other power produces a diseased body politic.

If this Congress really desires to relieve the financial distress of this country, why does it not adopt the method of France when she was lying prostrate and bleeding at the feet of her conquerors at the close of the late war with Germany, when, in addition to the calamity of disastrous defeat, an indemnity of a thousand million dollars in gold as a condition of peace, and the surrender of her two beautiful provinces, Alsace and Lorraine, to secure these terms, Germany demanded a mortgage on the nation, which being impracticable, France had to accept the bayonet mortgage,

what did her statesmen do under this great emergency? Did she attempt to issue bonds to sell for gold? Did she deal with syndicates? Did she propose terms to Shylock? No! She issued a popular loan in denominations as low as 10 francs, which was intended to be used as money and was used as money. These bonds were taken eagerly by all classes of her people, by even house servants and laborers. This enlargement of her currency produced the greatest activity in all departments of industry. And so great was the stimulant in all departments of labor that the balance of trade in her favor became so great that she was enabled to pay this enormous indebtedness, not in gold, but in foreign exchange. enabled to pay this enormous indeptedness, not in gold, but in foreign exchange. And at the end of five years, under the beneficent influence of this large per capita currency, she had more gold in her vaults than any nation on the face of the earth. And this is what bankers and capitalists call dishonest money!

How different the financial system in America. When this Government wants money, she issues gold compound-interest-bearing bonds, which means more debt, more taxes, more interest more brackers for a particular form.

est, more burdens for an already overburdened people. More

wealth for the rich man; more misery for the poor.
You beast that you broke the shackles from the limbs of four millions of black slaves in the South, and I rejcice that you did. But shame, oh, shame! you fastened ten times worse shackles upon ten times as many people. Mr. Cleveland says that it is not a theory but a condition that confronts us. But we say it is both. The theory, in the language of Mr. Vanderbilt, is, "The people be damned;" the condition, the nation of a few rich men and millions of artfully moon. lions of awfully poor.

When I was a little boy one of the first lessons I learned in my old-fashioned geography was that governments were instituted for the protection of the weak and helpless; and in the simplicity of my heart I thought it was true, especially so of this Government. And for three-quarters of a century it was true. But, alus, how things have changed of late! Now we see all legislation in the interest of the rich and powerful; the weak and helpless

are left to the mercy of greed and avarice.

We talk and weep over the condition of Armenia. In that we do right. But what sympathy have these shylocks for those upon whose shoulders in the final analysis all the burdens of this Government are placed? The toilers and farmers have been crushed so low by the weight of these burdens that they can not reach the first round of the ladder, and so begin to rise.

There is a bill before this House now in favor of the eight-hour law, but the farmer, who supports all, and, on the homestretch, pays nearly all the burdens, commences his day's work before the stars leave the sky in the morning and works till they appear again in the evening, is not once thought of in this great National Legislature. Nine-tenths of the farmers of this country to-day are as men standing on a quicksand, who feel and know they are sinking lower and lower, and utterly powerless to help themselves, looking every way and asking, "Who will show us any good?" looking every way and asking, "Who will show us any good?"
They have sent petitions to Congress by the carload, and Congress
has virtually said, "Ye be idle; we will not lighten your burdens,
but will add to your burdens." There are thousands of families
in North Carolina who are unable to employ a physician when
their families are sick, who are unable to buy suitable clothing to
send their families to church on Sunday; but when they complain
at unremunerative prices for their products the old stereotyped
cry of overproduction is thrown into their faces. Shame on that
man's inversage, or that man's periody who utters such a cry. man's ignorance, or that man's periidy, who utters such a cry. I deny that there ever was an overproduction of any good thing in this country.

It is too late in the day and conditions are too much strained to create a commission to ascertain the trouble between labor and capital. I am a farmer, pure and simple, and I am certain that as a class we are very well informed on that subject.

JUDGE CLARK IN MEXICO—A LETTER IN WHICH FACTS WITH THE POWER OF GREAT THUNDERBOLTS ARE PRESENTED—AN INVINCIBLE ARGUMENT IN FAVOR OF SILVER IS SHOWN BY OUR SISTER REPUBLIC—THE INJUSTICE OF GOLDBUG ROBBERY—THE MAGNITUDE OF THE PLUNDER—OVER TWO HUNDRED MILLIONS LOST ON COTTON ALONE—OUR PEOPLE ARE PATIENT, BUT WE WILL NOT GO DOWN.

JUDGE CLARK IN MEXICO—A LETTER IN WHICH FACTS WITH THE POWERS OF GREAT TRUNDERSHOLDS ARE PRESENTED—AS INVICIRLE ARRUMENT IN TAYOR OF SILVER IS SHOWN BY OTHE STETES REPURILO—THE INJUSTED TWO HUNDRED MILLIONS LOST ON COTTON ALONG—OUR PROPILE ARE PATHENT, BUT WE WILL NOT GO DOWN.

Associate Justice Walter Clark, of the North Carolina supreme court, who is spending some time in Mexico, has written a viridly plain and instructive liter to the Noves and Observer, in which he says:

Extend to Noves and Observer, in which he says:

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Extend to the Noves and Observer, in which he says:

The country, as these table-lands embrang 500,000 square miles—two-thirds of the planet, and could not help being prosperous as matters stand. The dollar is allowed to the planet, and could not help being prosperous as matters stand. The dollar is clically doubled in value by legislation, as has been the case within. Consequently cotton is still lis cents per pound and wheat \$1 per bundle. While fixed charges, as taxes, passenger and freight rate, public and private dolls, ct., re-by virtue of the legislation in favor of the bondholders, these fixed charges, while nominally the same, are in fast doubled, as it takes twice the amount of the legislation of the legislation in favor of the bondholders, these fixed charges, while nominally the same, are in fast doubled, as it takes twice the amount of the legislation of the legislation in favor of the bondholders, these fixed charges, while nominally the same, are in fast doubled, as it takes twice the amount of the lives of the level will be gots here and sees the property of this country and sees the very capitalists who, by securing this legislation, have doubled the value of their Vinted States bonds for gold, buy \$2,000 of sliver, which remains the legislation will be gots here and sees the property bere for \$1 claned the United States Covernment—that is, they will seel \$1,000 the legislat

The gold dollar in the United States may well be called a mythical dollar, Not one man in a hundred ever sees one. It is not used to buy corn, or wheat, or flour, or railroad tickets, or dry goods. It is only for the sacred use of the idle rich when they wish to measure by a high standard, double in value the principal and interest of bonds, which, on their face, by the contract, are payable in coin—i. e., in either gold or silver.

In drawing these lessons from the past experience and the present prosperity of Mexico, there are those who will say Mexico is inferior to the United States in education, in civilization, and in many other respects. And so it is; and so much the worse for the objectors. For if Mexico, notwithstanding all these disadvantages, is prosperous and going forward by leaps and bounds by keeping her standard of values at the same level, so much the greater is the condemnation for the men who, in spite of our great and manifest superiority, have brought the curse and blight of a long-enduring depression upon us by robbing the wealth producers in the interest of the wealth consumers, through the device of doubling, by crooked legislation, the value of the dollar. And if Mexico, with three hundred and fifty years of priestly rule, three hundred of which were also under a foreign yoke, and fifty more passed amid internal dissensions, could assert themselves and throttle the gigantic money power which oppressed them, what can not and what will not 75,000,000 of the foremost people of the earth be able to do when satisfied that they owe it to themselves and thoir prosperity to break the yoke which galls them?

Much more might be said, and more forcibly.

WALTER CLARK.

CITY OF MEXICO, January 15, 1895.

The farmers of the South for ten years after the war were exceedingly prosperous. Poor men bought homes for their families. Prices of products being high and money plentiful, the creditor demanded only a portion of the purchase money for the land, but rather encouraged them to improve their homes; and everything went on well until, unexpectedly to them, a contraction of the currency took place. The gold basis was established; money went up and prices down and down until the last margin of profit was taken from his product. And now it is demanded of him that he pay his debt in dollars that are ten times as hard to get as they were when the debt was contracted and worth twice as much. And these are the dollars that the money mongers call honest dollars! lars!

It is a sad sight for a man to grow in years and feebleness and to feel that he is growing poor and poorer, and with no hope in the future for his wife and little ones but taxation, debt, unrequited toil. Nothing can sustain a man under these circumstances but a strong faith in a merciful God and a courageous will. Without these he breaks down under his burdens and trials and seeks relief either in suicide or, what is worse, dissipation. He is not a communist nor an anarchist, he does not ask for any division of the wealth of the country, but he does demand that there be such legislation as shall give every man an equal opportunity to obtain wealth.

Professor Walker says:

That prices will fall or rise as the volume of money be increased or diminished is a law that is as unalterable as any law of nature.

Daniel Webster says:

Liberty can not long endure in any country where the tendency of legislation is to concentrate the wealth in the hands of a few.

Abraham Lincoln says:

If a government should contract a debt with a certain amount of money in circulation, and then contract the money volume before the debt was paid, it would be the most heinous crime a government could commit against the

This is precisely what this Government has done. All the laws it has enacted on the subject of finance since the death of that great and good man have been with a view to produce the results stated.

great and good man have been with a view to produce the results stated.

The record shows there is no hope of any relief for the plain people from either of the old parties. While they both pose before the people as the friends and champions of the toiling masses of the people, it matters not which may be in the majority in the House, they turn up in favor of the money sharks and gold gamblers of Wall street and Lombard street. The Democratic party, elected as the especial champions of free silver, with 148 majority in the Fifty-second Congress, smothered to death a free-silver bill passed by the Senate. Pleading upon their knees before the people for another chance to prove their loyalty to the interests of the people, they were intrusted with another lease of power and returned to the Fifty-third Congress with a handsome majority. Instead of redeeming their pledges and fulfilling their promises to the people, they proved their treachery by repealing the only law that gave any value to silver, thereby putting the farmers below the level of the same class of laborers in China.

The people, in their righteous indignation, hurled them from power, and elected an overwhelming majority of the Republican party to the Fifty-fourth Congress. And now, before our eyes, are enacted by the Republicans the same scenes that caused the people to condemn the Democratic party.

The only hope for the people is in the People's Party, which is the only national party breathing the same resolves in all sections of the Union, "Equal rights to all men, and special privileges to none,"

Labor Commission.

SPEECH

OF

HON. HARRY SKINNER,

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 1, 1896,

On the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. SKINNER said:

Mr. SKINNER said:

Mr. SPEAKER: I have endeavored to obtain the consent of my mind to give H. R. 6119, to "authorize the appointment of a non-partisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital," a hearty, favorable support, because I am intensely and sincerely the advocate and friend of labor and agriculture. Noone realizes better than myself how both of these strong arms of the country have been paralyzed by adverse legislation; and no one would sooner come to their relief and repair, as far as practicable and possible, the injury they have sustained.

Then, again. I understand this measure has the approval of the

far as practicable and possible, the injury they have sustained. Then, again, I understand this measure has the approval of the Knights of Labor and other labor organizations of the country and they also command my sympathy; and I stand ready now and at all times to strengthen their hands, to increase their power, to resist the steady encroachments of capital upon the rights, privileges, and conditions of labor. I stand ready to alleviate and lighten the burden of labor, to bring them better wages, shorter hours, more education, a higher civilization, and better Christian influences and opening up to them all the possibilities of the true influences, and opening up to them all the possibilities of the true American. Still, Mr. Speaker, I must file my feeble dissent to the passage of this bill creating this nonpartisan industrial commission. I can see nothing in it for labor or agriculture, only as it makes more taxes for them to pay and relieves Congress of some of its present duties.

of its present duties.

I am not objecting to the collection of information concerning labor, agriculture, and capital, but I seriously contend that this is the constitutional duty of the Labor Committee of Congress specially, and Congress generally, and this legislation is simply employing at an expense of about \$300,000 per annum assistants for the Labor Committee, when they have plenty of time and are already paid for this service. Let us for a moment examine this bill:

The President of the United States is authorized and directed to appoint a commission, to be called the industrial commission, composed as follows: Three men representing labor, three men representing agriculture, three men representing manufacturing, and three men representing business.

Each division of three shall have the right to employ one legal adviser and one secretary. The commissioners and legal advisers shall receive \$5,000 per annum and the clerks \$200 per month, and the commission is granted a contingent fund of \$50,000 per

Their duty shall be to investigate questions pertaining to immigration, to labor, to agriculture, to manufacturing, and to business, and to recommend to Congress such legislation as it may

deem best upon these subjects.

I would like to inquire what else remains for Congress to investigate? If this commission is created we had best create it the third house and make it the permanent conference of the two Houses, as their investigations will equip them to decide all mat-ters of difference between the two Houses in a nonpartisan and

mr. Speaker, seriously, if this industrial commission is a necessity, then, in the name of economy, in the interest of labor and agriculture, let it be created out of the Senate and the House upon the same principle, with the same powers and privileges and duties, and without any additional expense to the people. Created in this manner, in my judgment it will accomplish more, the members thereof will feel more directly the influence and needs of the people, and being members of Congress they will stand a better show to formulate their matured plans into practical legislation. Suppose this commission is created and Mr. Cleveland makes the appointments. Does anyone doubt the complexion of the commission? It would be a machine at the expense of the people to make it appear that the single gold standard was to the best interest of labor and agriculture. It is exactly what SHERMAN, Carlisle, and Cleveland desire—some official source whereby they can educate the people against their will to the single standard and to their injury and ruin.

It does seem that this House has gone far enough on this line; that is, legislating in their own interest to relieve themselves of work and to give themselves more pay. I do not like to appear

small or captious, but it is a very true lesson in finances to care for the pennies, and the dollars will care for themselves. We have restored the franking privileges, and still retain the allowance for stationery. We have given not only session clerks but also vacation clerks, and now we are asked to relieve ourselves of duty and to transfer the duty of investigating all matters to an industrial commission, at the additional expense of more than a half million dollars, to be paid in gold prices out of the joint results of the soil and labor.

I have not referred to the increased naval appropriations, to the increased river and harbor appropriations, to the increased civilservice sundry appropriation, and to the alarming increase in the pension appropriations, nor to the increase of the public debt through Executive orders in the sale of bonds. These, taken into consideration at one and the same time, are truly alarming when we look at the condition of labor and agriculture, which, under the organization of society, must bear these burdens and create the wealth from which shall be taken the taxes to meet these obligations, which necessarily diminishes their proportion of that which they bring into existence through their toil and sacrifices.

The condition of labor and agriculture are luridly portrayed by their respective organizations, by the strikes, the lockouts, and the increasing army of the unemployed, by the sheriff and mortgage sale, by the absolute and appalling poverty of the Southern and Western planter, marked by scant food, poor raiment, torn-down fences, filled-up ditches, dilapidated farm houses, and the depressed appearance of the honest planter, with no hope to pay his debts, educate his children, or to reserve a surplus for sickness and old age. Along the path he daily trods from the rising to the falling of the sun can not be plucked either flower, blossom, or bud of

It is idle, it is trifling with the needs of an almost exasperated people, to say that you must first establish a nonpartisan commission to inquire into the condition of agriculture, labor, and capital and wait for them to recommend legislation before you can act, before you can give the people relief. And you present this as a measure in their interest? They ask for bread, and you throw them a stone. They cry for meat, and you offer them a bone. How long will you thus abuse their patience? How long will their patience endure and countenance your abuse?

These delays and postpopments are dangerous. The wrath of

These delays and postponements are dangerous. The wrath of the people when once kindled becomes a consuming fire that will not be quenched until its force is spent and its path marked by desolation, waste, and ruin. Mr. Speaker, I plead with this Congress to act before it adjourns and give the people relief. Rememgress to act before it adjourns and give the people relief. Remember that Mark Antony lingered in dalliance soft and sweet before the star-eyed Egyptian Queen and lost Actium at the hands of the second Cæsar. That Cæsar, in the plenitude of his power, said, "The ides of March have come." When they had passed he lay at the foot of Pompey's statue. Louis XIV, playing at locksmith, wrote in his diary, "Nothing particular has happened today." The only thing that did happen was the siege and fall of Paris. Charles II said scornfully, "What can these Roundheads do?" He found out later they could cut off his head. In the shadow of a great crisis, throughout history we find these flippant savings.

sayings.

Surely, Mr. Speaker, we are standing in the shadow of a pending crisis that throws its dark pall of gloom and despair over every section of our country, paralyzing all industries and threatening the perpetuity of American institutions. Shall this House turn a deaf ear to the plaintive wail of hunger, nakedness, and despair as they well from the garrets and cellars of the overcrowded city and from the humble farm houses of the country?

If so, Mr. Speaker, you may not be surprised to see the people organize as they have never organized before in a nonpartisan way to secure practical legislation, and party ties will hereafter fall lightly around the people who desire and need relief.

In the history of the Old World the philosophic observer can find but few incidents gratifying to the philanthropic mind and no satisfactory evidence of the capacity of the mass of mankind for the maintenance of popular government.

the maintenance of popular government.

Greece, the cradle of letters and nursery of arts, the land of Homer, of Solon, of Herodotus—the theater of Thermopylæ, of Leuctra, and of Marathon—classic Greece, in the heyday of her glory, beguiles the scholar with her minstrelsy, her eloquence, and her army, and fires his genius with illustrious examples of devoted particities, but a cally survey of her history exposes lamenta. voted patriotism; but a calm survey of her history exposes lamenta-ble scenes of disorder and injustice, and in the debris of her wreck and ruin will be found the same evidences of a neglect of the people's interest which are manifest in America to-day, which, if not corrected in time, surely mark us as their victims.

Rome, once mistress of the world, was in her best days the great arena of contending factions. She, too, had her demagogues, and "the majesty of the Roman people" was their watchword. And though she had her Fabricius, her Regulus, her Cato, her Cicero, she also had her Clodius and her Sylla and her Cæsars, honored

in their day as the friends of the people; and whether Marius or Sylla, Cæsar or Pompey, prevailed, the victory was in the name of liberty. The Republic was honored with a triumph and a clamor of approbation echoed from the Forum to the Capitol. Augustus Cæsar, absolute as he was, preserved the forms of a republic, whilst by the perversion of his vast patronage to his own aggrandizement, Grover Cleveland-like, he made an obsequious and prostituted senate the register of his will, and in the name of liberty fastened a heavy voke forever on an applauding populace.

fastened a heavy yoke forever on an applauding populace.

The fast-anchored isle—the natal land of our fathers and the mother of our common law—has had her scenes of civil strife and blood; she has had her Wakefield, her Smithfield, and her Bosworthfield; she has had her Tudors, her Stewarts, her Jeffreys, her Bonner, and her Cromwell, as well as her Sidney, her Cramer, and her Hampden, her Beaconsfield, and her Gladstone; and after ages of reformation in church and state her aristocracy still governs, her heirarchy still prevails, and the Hamp of Erin hangs tuneerns, her heirarchy still prevails, and the Harp of Erin hangs tunc-less and sad upon the leafless bough of her blasted cak, and her finances govern the world and seek the subjugation of American

The French Revolution had its Dantons and its Robespierre; and after the bloody idol of licentious liberty had, like the Car of Juggernaut, crushed its thousands and overturned the temples of the true God, a Prætorean band of grenadiers delivered over the "Republic" to the safe-keeping of a Bonaparte.

"Republic" to the safe-keeping of a Bonaparte.

After contemplating such scenes, well may we doubt the capacity of man for self-government, and exclaim in the language of Mme. Roland under the guillotine, "Oh, liberty, what crimes have not been perpetrated in thy name!"

But from the waste around us we cast our eyes upon this green sward sloping from the Atlantic to the Rockies, then down to the Pacific, the land of present hope and measureless possibilities, and the inestimable truth is born the mind that there is still hope for popular government, and under its benion influences and for popular government, and under its benign influences and protection man will ultimately be elevated to the full and undis-turbed fruition on earth of the great ends of his moral being.

That God who gave us this country, who preserved Christianity through the gloom and desolation of the Middle Ages and has preserved this country through depressions in peace and the perils of war, will not suffer liberty, its offspring, to perish. Both have taken deep root in American soil. They were planted by our forefathers under circumstances peculiarly propitious, and so long as we may live it will be our duty and pleasure to cherish and defend them.

The serious problem that confronts us is to save the Republic by restoring the contentment, the happiness, and prosperity of the people.

In my humble judgment, this can only be done by the exercise of wise economy in the administration of the Federal Govern-ment, so that the burden of taxes may be made as light as possi-ble, and that without the restraint of their individual liberty

ble, and that without the restraint of their individual liberty involved in the maintenance of the internal-revenue system. Secondly, by such legislation as shall insure more and constant employment to labor, with shorter hours, with increased wages and better prices for farm products. The legislation that shall produce these results will restore hope, contentment, happiness, and prosperity to the masses; and these will not only temporarily save the Republic, but cause us to build more permanently and wisely than we knew, and develop the now latent possibilities of our measureless wealth.

Then the question of Federal economy, the House will pardon

Upon the question of Federal economy, the House will pardon me if I again refer to House bill 4141, introduced by myself January 16, 1896, to reduce all Federal salaries 884 per cent. With the consent of the House I will incorporate the bill just here as a part of my remarks:

A bill (H. R. 4141) to reduce the compensation of all persons in public service and thereby to meet the deficiency in the Treasury.

and thereby to meet the deficiency in the Treasury.

Whereas the demonetization of silver has resulted in the depreciation of land, labor, and products, and the stagnation of business and the depression of all industries, and has thereby reduced the people's means of meeting the expenses of the Government; and

Whereas the enforced underconsumption has resulted in the revenues of the Government falling below its expenses; and

Whereas the salaries of all Government officials and employees were fixed and based upon prices and conditions existing prior to the demonstration of allver; and

Whereas all Government officials and employees are receiving the expense of the salaries of

and based upon prices and conditions existing prior to the demonstration is aliver; and

Whereas all Government officials and employees are receiving salaries and wages in excess of what the same service would command in any other field of employment; and

Whereas there is a deficiency in the Treasury which should be met by practical economy rather than by the increasing of taxes or the selling of lounds: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all compensation, whether paid as salaries, fees per diem, mileage, or otherwise, of any person, officer, or employee in any branch of the public service shall be, and is hereby, reduced to the extent of 33; per cent of their present amounts.

SEC. 2. That on and after the passage of this act all compensation of persons employed in any branch of the public service shall be computed and paid on a basis of the reduction provided for in section 1 of this act.

SEC. 3. That the law which shall hereafter be passed authorizing the opensing of the United States mints for the free and unlimited coinage of silver at the ratio of 15 to 1 shall work and operate as a repeal of this act, and restore

to all persons, officers, or employees in any branch of the public service the same salaries and wages that they received prior to the passage of this act. Sec. 4. That all laws, clauses of laws in conflict with this act are hereby repealed.

This bill can be passed by both Houses in two hours, and thereby \$100,000,000 per annum be saved to the people. The same scale applied to the appropriation bills will save \$200,000,000 additional per annum, and thereby secure an aggregate saving of \$300,000,000 per annum to the people. And all of this can be done without detriment to the public service.

Upon the subject of better prices for farm products, the cur-

rent admissions of the press and the statesmen of the decade justify the statement that free coinage of silver at 16 to 1 doubles the current money of the realm and the world, and the result of this is to double the prices of the world, especially of labor and products.

Just at this point I desire to read H. R. 8999:

A bill (H. R. 8909) to prohibit the further issuance of interest-bearing bonds without the consent of Congress.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the issuance of interest-bearing bonds of the United States for any purpose whatever without further authority of Congress is hereby prohibited.

of the United States for any purpose whatever without further authority of Congress is hereby prohibited.

It is the same bill now being considered in the Senate; it prevents the issue of bonds without the authority of Congress. If the Executive is deprived of this power to issue and sell bonds, he may be necessitated to resort to the free coinage of silver at 16 to 1 and to the recognition of silver at the Treasury Department as primary money of redemption. I have thought, I do believe, that if the Secretary of the Treasury would only exercise his discretion in the interest of silver and redeem silver certificates in silver, and Treasury notes in silver, that he would break the endless chains, and would accumulate a surplus of gold in the Treasury, that would avoid a necessity for the issuance of gold bonds either by executive or legislative authority. It is certainly dangerous to leave this power in the hands of the Executive. Certainly no bonds of any class or species should be issued except be express legislative authority.

On this line I call attention to House resolution introduced by me on the 22d day of January, 1896;

Whereas by the act entitled "An act to strengthen the public credit," approved March 18, 1889, it was provided and declared that the faith of the United States was thereby solemnly pledged to the payment in coin or its equivalent of all the interest-bearing obligations of the United States, except in cases where the law authorising the issue of such obligations had expressly provided that the same might be paid in lawful money or other currency than gold and silver; and

Whereas all bonds of the United States authorized to be issued by the act entitled "An act to authorise the refunding of the national debt," approved July 14, 1870, by the terms of said act of Congress approved July 14, 1870, entitled "An act to provide for the redemption of specie payment," approved January 14, 1870, are required to be of the description of bonds of the United States of standard value of that date inclu It is the same bill now being considered in the Senate; it pre

I also call attention to H. R. 8535, entitled "A bill to secure international free coinage of silver at the ratio of 16 to 1," etc.:

A bill (H. R. 8535) to secure international free coinage of silver at the ratio of 16 to 1; to maintain the gold reserve; to regulate the exportation and to protect the production and manufacturing of cotton within the United States.

protect the production and manufacturing of cotton within the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That after thirty days from the passage of this act no raw cotton in any quantity, of any grade or quality, shall be exported from any of the ports of the United States, except by the permission and under the direction of the Secretary of the Treasury.

SEC. 2. That the Secretary of the Treasury, under rules and regulations prescribed by the board hereimafter created, shall purchase and export raw cotton for sale upon the United States Treasury account.

SEC. 3. That the commissioner of agriculture of each of the cotton-growing States, together wich the Secretary of Agriculture and Secretary of the Treasury of the United States, shall constitute, and are hereby created, a board to direct the purchase and sale of the Southern cotton crop, within their discretion, shall meet in Washington not earlier than the lat day of Agust of each and every year and name the price and formulate the plans and regulations under which the Secretary of the Treasury shall purchase, care for, store, sell, and export the Secretary of the Treasury shall purchase, care for, store, sell, and export the Secretary of the Treasury shall purchase, care for, store, sell, and export the Secretary of the Treasury, for such raw cotton according to grade, under the rules and regulations fixed by the board created in section 2 of this act, at the price named, delivered at such ports or points as shall be designated, shall pay for the Same in all cases with Treasury notes in denominations of \$1, \$2, and \$5, \$10, \$20, and \$100, redeemable on their face, either in gold or silver, 16 to 1, or Government 2 per cent bonds, payable in series from \$100 to \$1,000, within twenty-five years, at the option of the

Secretary of the Treasury, these bonds to be on their face interconvertible at the option of the holder in this same class of Treasury notes, with interest added, and these bonds extended the same banking privileges as existing

ed, and these conds extended the same canking privileges as calcular dishave new or may hereafter have.

6. 5. That the Secretary of the Treasury shall sell to American manufacers, either from the interior or from ports, at cost to Government plus ense of carriage, insurance, and storage, and shall accept as payment from m gold or silver, 16 to 1, the above-described Treasury notes, or any namil United States currency or the above-described bonds, with interested, at the option of the purchaser. Nothing herein shall operate to prett the American manufacturers from purchasing directly or indirectly the allegator.

int the American manufacturers from purely and the power, and is one the planter.

Sec. 6. That the Secretary of the Treasury shall have the power, and is reby authorised, to negotiate and sell for export at not less than 33; per int net advance of cost to Government.

From bimetallic countries, to the extent of their manufacturing capacity, may accept payment therefore in the same classes of money, currency, and ands as he is authorized to accept from American manufacturers.

From single-standard gold countries he shall exact payment in gold until nere shall be an international agreement for the free coinage of silver at the distribution of 16 to 1. Such an international agreement shall operate as a repeal of the oct.

this act.

SEC. 7. That the Secretary of the Treasury is hereby fully authorized, under the rules and regulations of the Treasury Department governing the preparation and issue of Treasury notes and bonds, to have prepared, issue, and pay out, and redeem the Treasury notes and bonds in accordance with and to carry into effect all the provisions of this act.

SEC. 8. That all provisions of law, whether of statute or treaty, now in force in anywise inconsistent with or in conflict with this act are hereby repealed and set aside.

Mr. Speaker, this is truly a nonpartisan industrial commission and without expense to the Federal Government.

1. I claim that this bill would secure international bimetallism. By way of example, say that the Secretary and the board had met in February, 1896, and under the provisions of this plan advertised that he would give the planter 10 cents per pound on a basis of middling, under the rules and regulations prescribed, and in the Treasury notes named. The single-standard countries absorb the large ary notes named. The single-standard countries absorb the large, bulk of our export cotton; under this plan, at 33½ per cent advance, it would cost them 13.33 cents in gold; this would be covered into our Treasury, amounting, estimating that they take (and must have) 5,000,000 bales per annum of our crop, over \$300,000,000; this, if kept up, in a few years would drain the single-standard commerces of their gold and put it into the Treasury of the United States and thereby make us the dominating factor in the world's finances. The single-standard Governments would see this result, and to prevent it they would promptly come to an internation agreement for free coinage of silver at the ratio of 16 to 1, so that agreement for free coinage of silver at the ratio of 16 to 1, so that they might supply their mills with our raw cotton on the same terms that other countries do and thus reserve their gold. We would bring them to international silver 16 to 1 or destroy their manufacturing interests. Our Secretary of the Treasury would occupy the attitude that is clearly to the interest of this country

occupy the attitude that is clearly to the interest of this country of selling our great staple, cotton, for gold at our price, rather than hawking our bonds and surrendering our credit to an English syndicate in order that the gold owners of the world may be perpetuated in their power to dictate the price of our export crop.

2. I claim that the bill will secure, so long as in force, equitable protection to the field and shop in the highest, most practical, and patriotic sense of the word, and will afford a net revenue of one hundred millions to the Government. It is to be observed that under this plan the American cotton manufacturer would have 391 per cent advantage in the cost of raw material. This would to a great extent stimulate and multiply our manufacturing interests, and make us exporters of manufactured cotton goods—competitors in the world's trade in this line. It would give cotton growing stability and prosperity, making the South a larger consumer of all other raw and manufactured goods; the planter would know what he would get before he planted, and planter would know what he would get before he planted, and his planting could be regulated so as to prevent a Southern overhis planting could be regulated so as to prevent a Southern overproduction, as we need not fear the stimulating effect this plan
would have upon other cotton-producing countries. For example,
note the effect upon the world's market resulting in short exports
during the war. We have for more than fifty years held the supremacy in the world'sproduction of raw cotton, but it is evident,
under the controlling influence and power of the single gold
standard, that we must take some steps to regulate the price or
else go out of the cotton-growing business. Estimating that the
gold-standard countries would be compelled to have 5,000,000
bales per annum of our cotton, and this is a small estimate, which,
at 13.33 cents, would put over three hundred millions into our
Treasury at 331 per cent advance, the net revenue thereby made
by the Government would be more than one hundred millions per
annum. In other words, the Southern people would surrender
that cotton crops and take the Government's noninterest-bearing
paper in payment therefor, and furnish the Secretary of the Treasury with cotton to sell for gold instead of his sacrificing the Government bonds for gold. The Administration plan is to sell us in
debt, and give the gold owners of the world the power of dictating prices. This bill confemplates naming our own prices, and
relegating gold to the position of a servant in the great international exchanges of the world.

3. The Treasury notes issued under this plan, to the extent of the
size of the American manufacturing interest, will prove perpetually self-redeeming. To the extent of the cotton exported we will nction, as we need not fear the stimulating effect this plan

put\$1,33 in gold in the Treasury for every dollar issued. The profit to the Government would be as stated—on a basis of \$300,000,000 value exported at 33% per cent advance, it would return a net revenue of more than \$100,000,000 per annum, which the cotton planters of the Southern States are willing to contribute as a tax to the Government for governmental supervision as above indicated. The bonds growing out of the plan would form a basis for the creation of such a new system of banking as may be practically hereafter devised, and within themselves furnish a currency. I will not dis-cuss the objections that may be raised to this plan, for I expect criticism; but I wish to emphasize one great truth, that the price of our great staple, cotton, can be controlled by the Government without hazard or loss and to the benefit of all sections of our country. The Southern States hold the supremacy of the world in the production of raw cotton, both as to quality and quantity. The Manufacturers' Record, commenting upon this subject, says:

Try as it may to avoid it, the world at large will have to draw the bulk of its cotton from the Southern States, and consequently we can and ought to determine what its selling price shall be instead of leaving that to be dictated by the consumer.

Hon. J. M. Rusk, then the Secretary of Agriculture, in a letter upon Southern progress, says:

The supremacy which the South possesses in the markets of the world as a cotton-producing country there is reason to believe will never be forfeited. The natural facilities of the South for the production of this great cotton crop, aided and directed by intelligence, must assure for all time the supremacy of the Southern States as the cotton-producing region of the world.

In the same line of thought, Secretary McCulloch, in his fiscal reports, refers to the active movement of the crop of 1865 and the good prices commanded, drawing largely on the old country, as the United States from a threatened financial wreck. Mr. saving the United States from a threatened financial wreek. Mr. Edward Atkinson, the statistician, in a paper read before the Cotton Manufacturers' Association of New England, says:

The Appalachian chain, gathering moisture from the Gulf Stream and spreading it over the fertile fields of the Southern States, has fixed our supremacy in cotton production.

If other authority is desired, I refer to the centennial sketch of the cotton trade of the United States by that distinguished cotton statistician, Mr. Thomas Ellison, of Liverpool; to Bulletin No. 9, United States Department of Agriculture; to "Production and 9, United States Department of Agriculture; to "Froduction and price of cotton for one hundred years," by James L. Watkine; the "Annual cotton movements and fluctuations," by Latham, Alexander & Co., of Wallstreet, New York; the Encyclopedia Britannica; article "Cotton," by Thomas Ellison; and to any standard commercial geography. After reading these authorities anyone will be convinced that any person, syndicate, corporation, or Government owning the cotton crop of the Southern States could and would control the price of cotton. Under the plan that I have suggested the Government can become the owner of the Southern crop with a handsome net revenue attached, and under conditions crop with a handsome net revenue attached, and under conditions that surround us it is but patriotic that we exercise this great commercial power to save the great industry and our country from wreek and ruin. If the Belmont-Morgan-Rothschild syndicate had the same lever power they would crush us in twenty-four hours, anditis butright that we use it as an instrument to buy what rold way he precessory for our surpresses to enforce international gold may be necessary for our purposes, to enforce international bimetallism, to extend and protect cotton manufacturing, and to bimetallism, to extend and protect cotton manufacturing, and to regulate and protect cotton production. Every other nation in the world has legislated in the interest of cotton except this Government. They have done so for the purpose of making themselves competitors with us in the production of cotton. With all their governmental assistance they have signally failed and have finally resorted to gold monometallism so as to purchase our cotton at their price, and the time has come when the Government should come to the reserve of the Apperium cotton grow when it is so valid. come to the rescue of the American cotton crop, when it is so plain that by doing so they can make it to the advantage of the Gov-

enment by making cotton the controlling factor of the Government by making cotton the controlling factor of the world's finance and commerce and bless humanity by restoring bimetallism, and thereby emancipate labor, production, and commerce.

Lest the public may be misled in believing that I regard an international agreement necessary to the success of free and unlimited coinage of silver at the ratio of 16 to 1, I will emphasize that I believe in independent action without delay, and this plan carried out in detail exemplifies our ability to so act. There are other reforms on the other side of free silver that I believe in, but it is a necless waste of time to discuss them until we unshackle but it is a useless waste of time to discuss them until we unshackle labor, production, and commerce from the dominating influences of gold. The patriotic influences of America need to be marshaled and focalized under this available issue of free silver 16 to 1 to route the common enemy of humanity and civilization before we

can seriously contemplate the many other reforms needed in the fiscal and economic administration of our Government.

And the Southern staple is the available weapon with which to route monometallism and restore universal bimetallism, and

thereby bless humanity.

Cotton is still king if it can be treated and dealt with fairly. If the Government would extend the same ratio of protection to this the greatest of all of our industries cotton culture would

keep pace with cotton manufacture. Upon every conceivable argument the culture of cotton is entitled to the same protection as is its manufacture. It gives employment to more labor, creates a larger home market for Western produce. Better prices for cotton means better prices for the landowner, better prices for farm labor, better prices for Western corn, wheat, and pork, and more prosperity to the country generally. In considering legislation along this line we must keep before us the relation of the Southern cotton crop to that of the world and hold fast to the fact that we do to do you have done wife shall a continuous arms will conwe do to-day and have done so for half a century and will continue for the next half century, under all conditions, to raise at least 80 per cent of the raw cotton of the world; that we consume about 33½ per cent of our production, and that the cotton mills of Europe must have two-thirds of our production to keep them running, and that all the mills must run on reasonable time

It is a start at the first and the first and the start and world, and that employs so much labor in its production and manufacture, ought to receive some fostering care from the Government, so that its producers may not become paupers. All I contend for is that the Government shall throw around cotton culture the same arm of protective care that it gives to manufacturers, and thereby assist the cotton planter and relieve him from his present dependent position of being compelled to market his cotton crop certain months of the year at such price as the New York and Liverpool cotton exchanges shall dictate. It is a rule of trade acknowledged the world over that the owner of eight-tenths—even and Liverpool cotton exchanges shall dictate. It is a rule of trade acknowledged the world over that the owner of eight-tenths—even of 51 per cent—of any article of necessary consumption can regulate and control the price of the whole. So, reasoning from analogy, a Government whose people raise eight-tenths of all the cotton raised in the world can dictate to the consumers of that cotton what they shall pay. And in justice to ourselves and to every conceivable interest of this country this power should be exercised, not for purposes of oppression, but for the purpose of so regulating the great industry as to make it profitable, and those engaged in it prosperous and happy.

No nation is esteemed by the comity of nations so wealthy as that nation which from her resources can draw sustenance from her own soil to clothe and feed her soldiers in war and make them happy, prosperous, and contented in peace. Measured by this standard we are independent and capable of formulating our own political, commercial, and financial policy.

It must be admitted that this cotton commission, or Government control and supervision, would destroy the cotton speculation of the world and this profit would remain with the planter. My sympathies are with the cotton planter, for equal prosperity to all sections, for life on the farm as well as in the city, and against the evil spirit of the age by which speculation, monopolies, and trusts enrich the few at the expense of the many.

I admit that the recognized law of supply and demand ought to be left free to control prices. But in these days of unequal protection, monopoly, trust, and speculations the unprotected industries and the unorganized farmer, as against all the other combinations, unless some relief shall be extended to them, must sink and become and remain enslaved to the money trust.

become and remain enslaved to the money trust.

The single gold standard is a simple trust upon the redemption money of the world, and this makes the gold owners—I may say 51 per cent of the gold of the world—the absolute owners and con-

51 per cent of the gold of the world—the absolute owners and controllers of man, earth, church, and state.

The gold owners under this policy have caused this Government to surrender its sovereign function of issuing money to the national banks as a trust upon all secondary money, and they foster all other trusts of which we complain and whose heavy hand we feel paralyzing the heaven-appointed institution of farming.

It is indeed surprising to me that we shall supinely permit such trust, against the happiness and the welfare of the human family, when by utilizing our monopoly in raw cotton production we can break the trust and restore to the people their rights and prosperity.

perity.
Should the Government take advantage of its position and exer-

break the trust and restore to the people their rights and prosperity.

Should the Government take advantage of its position and exercise its power in the premises?

Should the Government permit so great an industry to languish and those engaged in it to become paupers by raising a staple so essential to the comfort of the world and so necessary for the extension of civilization, and permit the continuance of prices fixed in Liverpool, dictated by a foreign policy, to command the American crop with as little money as possible, when it possesses the power to prevent it, and can, with this staple under governmental supervision, provided for in my bill, in due time drain Europe of all its gold and put it into the Treasury of the United States? I speak for the cotton planter. He will willingly raise cotton upon the faith of Uncle Sam's credit, accept Treasury notes therefor, redeemable so as to never receive a dollar of gold for their product, and turn it over to the Secretary of the Treasury to sell for gold for Government account. I repeat, the cotton industry is second to no interest in the United States, and deserves the fostering care of the Government, especially when by exercising this care the Government can make it the weapon with which to drain Europe of her gold and break the trust on money. The condition of the cotton crop, from planting to harvest, as well as the statistical position of the product, with the regularity of the daily course of the sun is bulletined around the world, and its staple is as current as gold across the counters of every bank in Christendom (only we permit its value to be measured in gold, when the reverse could be accomplished by action on our part). It constitutes fully one-half of our export, and is the lever with which we can raise the balance in our favor. The greater purchasing power we can give to this our great export crop the better it is not only for the producers of the South, but for all sections of the country, which hold a joint interest in our national wealth, to

	Visible and		Crops.			Balance of year's suppl		apply.
	invisible be- ginning of year.	United	Supply of		Total actual consumption.	End of	year.	
			Total crop.	100.	Visible.	Invisible.	Burned, etc.	
1866-67 1867-63 1869-69 1869-70 1870-71 1870-71	Bales. 2,349,000 1,619,000 1,338,000 1,520,000 1,725,000 2,578,000	Bales. 2,230,000 2,718,000 2,652,000 3,431,000 4,733,000 8,241,000	Bales. 2, 178, 000 2, 107, 000 2, 564, 000 2, 113, 000 2, 025, 000 8, 036, 000	Bales. 4, 400, 000 4, 825, 000 5, 216, 000 5, 544, 000 6, 758, 000 6, 277, 000	Bales. 5, 085, 000 5, 058, 000 4, 979, 000 5, 259, 000 5, 820, 000 6, 312, 000	Bales. 1,400,000 1,280,000 1,260,000 1,350,000 1,696,000 1,785,000	Bales. 219,000 58,000 280,000 375,000 882,000 668,000	Bales. 53, 000 48, 000 85, 000 80, 000 85, 000
Average		3, 167, 000	2, 837, 000	5,504,000	5, 419, 000			58,000
1672-73 1873-74 1873-75 1875-76 1870-77	2, 453, 000 2, 320, 000 2, 525, 000 2, 324, 000 2, 346, 000 1, 961, 000	4, 283, 000 4, 597, 000 4, 216, 000 5, 171, 000 4, 933, 000 5, 425, 000	2, 083, 000 2, 320, 000 2, 309, 000 2, 018, 000 1, 897, 000 1, 506, 000	6, 366, 000 6, 917, 000 6, 525, 000 7, 189, 000 6, 830, 000 6, 931, 000	6, 425, 000 6, 632, 000 6, 656, 000 7, 082, 000 7, 140, 000 7, 272, 000	1,591,000 1,682,000 1,619,000 1,732,000 1,318,000 1,214,000	729, 000 843, 000 706, 000 614, 000 643, 000 326, 000	74,000 80,000 70,000 85,000 75,000 80,000
Average		4,771,000	. 2,022,000	6, 793, 000	6, 868, 000			17,000
1878-79	1,540,000 1,267,000 1,548,000 2,168,000 1,616,000 2,405,000	5, 637, 000 6, 556, 000 7, 519, 000 6, 073, 000 8, 058, 000 - 6, 485, 000	1, 308, 000 1, 894, 000 1, 837, 000 2, 510, 000 2, 350, 000 2, 434, 000	7, 085, 000 8, 450, 000 9, 356, 000 8, 583, 000 10, 408, 000 8, 919, 000	7, 223, 000 8, 081, 000 8, 646, 000 9, 035, 000 9, 490, 000 9, 290, 000	1,068,000 1,499,000 1,922,000 1,362,000 1,704,000 1,506,000	190,000 49,000 246,000 254,000 701,000 434,000	85, 000 88, 000 90, 000 100, 000 120, 000 05, 000
Average	******	6,721,000	2,071,000	8, 792, 000	8,629,000	~~***		. 96,000

World's supply and distribution of cotton-Continued.

	Visible and invisible be- ginning of year.	Crops.				Balance of year's supply.		
		United	Supply of other countries.	Total crop.	Total actual consumption.	End of year.		
						Visible.	Invisible.	Burned,etc.
1884-85	1,800,000 1,841,000	Bales, 6, 420, 000 7, 480, 000 7, 450, 000 8, 000, 000 8, 079, 000 8, 525, 000	Bales. 2, 007, 000 2, 100, 000 2, 478, 000 2, 100, 000 2, 350, 000 2, 580, 000	Bales. 8, 427, 000 9, 580, 000 9, 928, 000 10, 100, 000 10, 429, 000 11, 105, 000	Bales. 8,507,000 9,371,000 0,757,000 10,167,000 10,524,000 11,055,000	Bales, 1, 230, 000 1, 210, 000 1, 248, 000 965, 000 902, 000 1, 140, 000	Bales. 449,000 500,000 503,000 649,000 597,000 294,000	Bales. 90,000 88,000 130,000 160,000 120,000 115,000
Average	***************************************	7,659,000	2,200,000	9, 928, 000	9, 912, 000			117,000
1880-91		10, 170, 000 10, 800, 000 8, 044, 000	2, 488, 000 2, 390, 000 2, 000, 000	12, 658, 000 13, 190, 000 10, 644, 000	11,728,000 11,816,000 11,470,000	1,706,000 2,933,000 2,400,000	500, 000 607, 000 263, 000	40,000

I also refer to a similar statement showing the world's consumption of cotton:

The	annuld's	consumption	of cotton

	Great Britain.	Conti- nent.	United States.	India.	Total.
1878-79 1879-90 1889-81 1881-82 1882-83	Bales. 2,843,000 3,350,000 3,572,000 3,640,000 3,744,000 3,666,000	Bales, 2,593,000 2,750,000 2,956,000 3,196,000 3,380,000 3,380,000	Bales. 1,784,000 1,981,000 2,118,000 2,197,000 2,375,000 2,244,000	Bales, 202, 230 301, 480 371, 400 389, 600 447, 400 520, 700	Bales, 7, 485, 230 8, 382, 480 9, 017, 400 9, 424, 600 9, 946, 400 9, 810, 700
1884-85. 1885-86. 1887-88. 1887-88. 1888-89. 1889-90. 1890-91.	3, 433, 000 3, 628, 000 3, 694, 000 3, 841, 000 4, 034, 000 4, 230, 000 4, 020, 000 3, 706, 000	3, 255, 000 3, 465, 000 3, 640, 000 3, 796, 000 4, 009, 000 4, 290, 000 4, 529, 000 4, 576, 000 4, 576, 000	1,909,000 2,278,000 7,423,000 2,531,000 2,685,000 3,731,000 2,958,000 3,220,000 3,129,000	584, 800 630, 300 711, 800 771, 670 870, 880 988, 296 1, 155, 328 1, 142, 619 1, 170, 000	9, 181, 800 10, 001, 300 10, 463, 800 10, 938, 670 11, 304, 880 12, 043, 298 12, 871, 328 12, 958, 619 12, 641, 000

From these statements it appears the consumption is quite equal to the production and the crops of all other countries have not appreciably increased. I will read an extract from an interview with Mr. Sam Inman, of Atlanta, Ga., in the Minneapolis Tribune:

with Mr. Sam Inman, of Atlanta, Ga., in the Minneapolis Tribune:

The extent and value of the cotton crop in the United States is hardly appreciated by people generally. During the past forty-two years, or since the discovery of gold in California, the gold product of that State amounts to \$1,200,000,000. The cotton grown during the past four years was valued at \$1,000,000,000. The contemporary rield is confined to a few States. If the cotton planters would be wise the South would eventually be the richest section in the world. The consumption of cotton in the world increases on an average of about \$00,000 bales a year. There has been practically no increase in the cotton yield in the foreign cotton-growing countries of the world, so that the United States is expected to make up the increased consumption. Every part of the world, you might say, raises wheat; but it is not so with cotton.

But, Mr. Speaker, I am met with the argument that if we legislate in the interest of cotton specifically, that the grain grower, the hog, horse, and cattle raisers, and the producers of all other products will want similar legislation. My answer is that no other crop is analogous; besides, I am using cotton simply as the instrument to secure free coinage, and all of these producers admit that their prices will be doubled with free coinage.

Mr. Speaker, if it will be germane to the pending question, I will offer House bill No. 8353 as a substitute for the industrial commission bill; its sole mission is to collate information. This bill, which I now read, will collate information, without cost and

bill, which I now read, will collate information, without cost and in a most satisfactory manner, upon very important questions. It was for the purpose of information and instruction that I intro-

A bill (H. R. 8953) to submit to a direct vote of the people free coinage of silver at 16 to 1: a graduated income tax; the election of President, Vice-President, and United States Senators by a direct vote of the people.

President, and United States Senators by a direct vote of the people. Whereas this is a Government of, by, and for the people, and the people have the power to advise their servants, the President and Congress, concerning their governmental policies; and Whereas it is highly important that they should be advised of the will of the people on important questions, that their will may be executed: Therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That at an election for Presidential electors to be held in November, 1996, there shall be submitted to the citizens qualified to vote for such Presidential electors at said election the following questions:

qualified to vote for such Presidential electors at said election the following questions:

First. Shall Congress make a law allowing free and unlimited coinage of silver at the ratio of 16 to 1, as it was prior to 1873? Yea. No.

Second. An amendment to the Constitution providing for the election of the President and Vice-President and United States Senators by direct vote of the citizens of the United States. Yea. No.

Third. An amendment to the Constitution providing that taxes shall be imposed as Congress in its wisdom may deem proper. Yea. No.

Fourth. Shall Congress, so soon as it may do so constitutionally, make a graduated income-tax law? Yea. No.

SEC. 2. That the intention of the voter shall be expressed, if he votes in the affirmative, by canceling the word "No"; and if he votes in the negative by canceling the word "Yea."

SEC. 3. That it shall be the duty of the judges and clerks of election appointed or elected as judges and clerks of said election for Presidential electrons to also act as judges and clerks of this special election to determine the questions heretofore set forth. And the ballots and ballot boxes shall be returned to and canvassed by the same persons who by law are required to canvass the returns and determine the election of Presidential electors in each State; and the said persons so canvassing the returns shall certify to the President the number of votes for and the number of votes against each question. As soon as the President shall have received these returns, certified through the proper officers, he shall transmit them to Congress for its advice and consideration.

Pass this bill and you will not only have been informed but

Pass this bill and you will not only have been informed but instructed by the people how you shall act.

Mr. Speaker, the President, the Senate, and I fear the House, is too far removed from the people; they all seem careless and indifferent of the people's needs and wants, and we are inaugurating and making permanent a system that removes all office-holding classes from the people. I refer to the civil-service laws. That is creating a life tenure in all appointive offices. In my opinion it is the creature and the ally of the single standard that will create the office-holding and the property-owning classes out of one and the office-holding and the property-owning classes out of one and the same class, and both will be indifferent to the needs and wants of the people.

On January 14, 1896, I introduced H. R. 3959, and will now read the same:

A bill (H. R. 3959) to repeal the civil service laws

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the act entitled "An act to regulate and improve the civil service of the United States." approved January 16, 1883, with sections 1753 and 1754 of the Revised Statutes, section 4, page 374, paragraph 1 of chapter 667, page 772 of the Supplement to the Revised Stattes, very large and all the amendments to said act of January 16, 1883, be, and the same are hereby, repealed.

I can not enter upon an extended argument for the repeal of the

I can not enter upon an extended argument for the repeal of the civil service laws. Briefly I will state that I believe in the doctrine of Marcy, that to the victors belong the spoils; and in the language of our late Senator from North Carolina, Vance, the horse that pulls the plow should eat the fodder.

Again, the civil-service law practically closes the doors to the plain people holding office. It is only the educated and the upper classes that can stand those technical examinations; the plain honest farmer boy and girl with the old-school learning need not apply. This lawsays to them, "Plow on; the offices of the country were not created for you." Again, experiences have proven that life-tenure, office-holding classes become in time careless, arrogant, and indifferent to the good of the people. I believe the best service will be secured by making all offices, appointive and elective, as near to the people as possible, and as dependent upon their favor as practicable. It makes them more considerate, more cautious, more attentive, and more anxious to render the best practicular in the careless. tious, more attentive, and more anxious to render the best practical service. Grover Cleveland is extending the service, and in a few years all Federal officers except Congressmen will be holding for life, and in time these will desire to be embraced within its provisions.

Doubtless this industrial commission, if created, would become permanent, and in time covered and saved to life service by Executive order. This would certainly follow if their reports should prove favorable to the single standard.

The people of this country are at the present time suffering from the effects of thirty years of blundering, if not dishonest, legislation. During this entire period, in my opinion, not a single law has been placed upon the statute books of the nation that has for its ultimate result the welfare and prosperity of the people. This species of legislation has continued so long and its results are so disastrous that a radical change for the better must be made in the immediate future or the beginning of the next century will isoporalize the people of the people. disclose a condition of affairs in this nation that will jeopardize, if not destroy, the grandest experiment in self-government that the world has ever witnessed.

Mr. Speaker, the people have suffered beyond all reason, and if

carefully considered, beyond all conception, through this vicious and criminal legislation which has been forced upon the country, reeking with treachery and corruption that "smells to heaven."

The manipulation of our finances in connection with unfair laws granting special privileges to corporations, trusts, and syndicates are the controlling factors in all the discontent and misery now seen among the people. The destruction of our silver currency, followed by a general contraction of our medium of exchange, is the prime cause of all our financial wees. The laboring people of our country were the first to feel the effects of this financial brigandage. Previous to this labor was abundant and wages were remurerative; now more than twenty million of our people are unperative; now more than twenty million of our people are unage. Previous to this labor was abundant and wages were remunerative; now more than twenty million of our people are unemployed and thousands are in hunger and want. Then the laborers of our country were prosperous and contented; now more than five million are tramping our streets and swarming throughout the land, appealing alike to our sympathy and alarm. This class of people, dependent upon the labor of their hands, have been ruthlessly thrown out of work, to become mendicants and criminals, in order that a favored few might revel in luxury and idleness. The second class to feel the iron hand of this oppression was the furner, the strength and bulwark of our free institusion was the farmer, the strength and bulwark of our free institu-

This class of people have been dragged down from prosperity and progress to a condition of absolute bankruptcy and stagnation. All species of agricultural property has declined fully 50 per cent, while its products have fallen so low in price as not to repay the cost incident to production. In 1850 the wealth of the United States amounted to \$8,000,000,000, of which the farmers owned \$5,000,000,000. In 1890 the wealth of the country amounted to \$65,000,000,000, of which the farmers owned but \$16,000,000,000. In 1850 the farmers owned five-eighths of the wealth of the nation, while in 1890 they owned less than one-fourth. During the past thirty years the mortgage indebtedness of the farms of this coun-

thirty years the mortgage indebtedness of the farms of this country has increased, upon a conservative estimate, more than 2,000 per cent. The number of farms in the United States in 1850 was 4,555,734. Of this number, 2,302,941 were under a mortgage. From being comparatively out of debt in 1866, over 50 per cent of the farms of this country were mortgaged in 1890. I might continue statistics upon this point, but have given enough to show that the farmers of the country are in a most deplorable condition on account of unjust and unfair legislation.

The third class to feel these depressing conditions are the manufacturers. They are becoming unwilling victims of this same vicious legislation. With 20,000,000 of people out of work, with 50 per cent of the farms under mortgage and our agricultural population bankrupt, is it any wonder that manufacturers are going out of business or into the hands of receivers and their goods remaining unsold? A bankrupt and idle people can not consume products of either the farm or factory. This wholesale destruction of values following such vicious legislation is but the consume products of either the farm or factory. This wholesale destruction of values following such vicious legislation is but the natural results of cause and effect. These conditions will continue to intensify, unless speedily remedied, until all business will become paralyzed and all labor efforts abortive.

MINNESOTA:

The Field for the Laborer and the Home for the Immigrant.

SPEECH

HON. ANDREW R. KIEFER.

OF MINNESOTA.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896,

On the bill (H.R.6119) authorizing the appointment of a nonpartisan com-mission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

Mr. KIEFER said:

Mr. KIEFER said:
Mr. Speaker: It may have escaped the attention of many of the members that most all of the immigration measures reported with a favorable recommendation originated and are advocated by our Eastern friends. And it has already become apparent during the progress of this discussion that of the two bills recently under consideration which proposed to throw certain restrictions around immigration into this country the one which merely requires that the incoming foreign stranger who desires to become a citizen of the greatest nation on earth shall be able to read or write in some language was the more popular. Mr. Speaker, that qualification, in addition to the many other restrictions that have been placed on our statute books, will not bar the worthy and desirable person from seeking our shores. I intended to offer an amendment providing that any parent who has children restrictions permanently in the United States may be permitted to

land and become part of our people, providing always that there are none of the objections raised under the laws that exist at the present time, but the special rule would not permit.

land and become part of our people, providing always that there are none of the objections raised under the laws that exist at the present time, but the special rule would not permit.

Mr. Speaker, we are a nation of immigrants. Ever since the landing on our shores of the Mayflower there has been an incoming flow of the people from other climes—from Brittany, Germany, Norway and Sweden, Poland, Ireland, France, Italy, and from every other government where liberty has been fraught with continual danger, and where the individual under government regulations has not been permitted to enjoy that freedom which has made this country the haven of the oppressed from every other nation on the globe. It may be true, Mr. Speaker, that the people of Massachusetts and of Pennsylvania do not desire to add to the material wealth of those great commonwealths by offering any inducements whatever to immigration. It may also be true that the people on the far-away Pacific Coast are fearful lest the honest Polander or the intelligent and industrious Scandinavian or German come in and secure, even at the price that agricultural lands are held at, some of the choice acres of those five and ten thousand acre bonanza farms for which California has become famous. But, Mr. Speaker, the people of Pennsylvania to-day owe it to the sons and daughters of foreign lands that they have developed into such a prosperous and progressive community. The thrifty German immigrant made his home in Pennsylvania and has become such a part of that great State that his descendants in the Western States are very frequently spoken of as "Pennsylvania Dutch," and the phrase has come into such general usage that it is used to designate many of our Western immigrants. We hear no demands for restrictive immigration as embodied in the bill offered by the gentleman from Pennsylvania [Mr. WILLIAM A. STONE] coming from the great Mississippi Valley, that magnificent empire which has only reached a preliminary stage of development. The people of that great domain wil

In November last there was organized a State immigration association, and since that time every Congressional district in the State has held a convention in the interests of immigration.

On Friday last there was opened for settlement a portion of the great Red Lake Reservation, which is an agricultural garden, and where the industrious head of a family may soon become the possessor of a home. I desire to insert (with the permission of the House) an extract from the official circular which presents the aims and objects of the State immigration association. It is as follows:

follows:

A cordial invitation is extended to the citizens generally to join hands with the members of the executive committee from their respective Congressional districts, the county organizations, and with the secretary of the association in the important movement to increase the population of the State by 100,000, the mark set by the president of the association to reach at an early day, and within a reasonable period of time to double the present number (1,500,000) of inhabitants of the State and aggregate a population of 3,000,000.

Every citizen of Minnesota is invited to send the names and addresses of friends and acquaintances living in other States, Canada, or foreign countries to the secretary of the association at St. Paul, so that publications descriptive of the diversified resources of this great agricultural, stock-raising, and dairying State can be mailed to them. Also to request that their friends and acquaintances send the names of any intending settler whom they may know. Farmers are invited to prepare letters giving their practical experience in farming since their settlement in Minnesota; give the name of the town, county, and State, or foreign country from whence they came; the amount of means, stock, etc., which they had on arrival in the State; the means they now have and the details of their progress in acquiring an independent lome. It is the intention to print letters from farmers in the descriptive publications which are to be issued by the association in bringing to the attention of intending settlers the many advantages which Minnesota offers for new settlement.

As the aggregaters and the timber and mineral resources of the State

tions which are to be issued by the association in oringing to the form for new settlement.

As the agricultural lands and the timber and mineral resources of the State vary in localities, citizens are requested to prepare full descriptions of their respective counties and districts and send to the secretary at St. Paul for use in publications for distribution by the association. Include a description of the towns, manufactories, transportation facilities, public buildings, the number of churches, schools, population, the unoccupied lands, and other opportunities for securing new homes.

Local publications should be arranged for by cities, towns, counties, and districts, containing letters from farmers and descriptive matter containing the advantages and opportunities which their respective localities offer for the success of settlers. This can be done by special illustrated editions of local newspapers, or by local folders and pamphlets. If several thousand copies of such special or local editions are provided for by citizens, it is requested that a portion of each of such publications be sent to the secretary of the association at St. Fund to mail to intending settlers in answer to letters of inquiry, or to otherwise distribute.

It is the intention of the secretary to visit various counties and districts in the State to confer with citizens on plans for organized efforts to induce new settlement as soon as the duties at headquarters connected with the preparation of printed matter and the perfecting of other arrangements to advance and facilitate the work in hand will admit.

Members of county organizations and citizens generally are invited to visit St. Paul, when they can find it convenient to do so, and confer with the secretary on the subject of the best and most practical methods for promoting settlement in the State. Truly, yours,

P. B. GROAT, Secretary and Treasurer Minnesota State Immigration Associati

But our State is not alone in making extra efforts at this time to induce immigration. I will here insert a letter, or rather ex-tracts from a letter, from Hon. T. L. Schurmeier, president of the State association, in which reference is made to an interstate asso-

[Theodore L. Schurmeier, president; P. B. Groat, secretary and treasurer.]

MINNESOTA STATE IMMIGRATION ASSOCIATION, HEADQUARTERS, 309 JACKSON STREET, St. Paul, April 3, 1896.

St. Paul, April 3, 1896.

My DEAR SIR: The Minnesota State Immigration Association, an outgrowth of the Northwestern Interstate Convention, held at St. Paul last November 19, 20, and 21, has surpassed all expectations in the enthusiastic support which has been given to the movement in all parts of the State. Minnesota was the first of the Northwestern States represented at the interstate convention to organize after the adjournment of that body. The delegates to the interstate convention from Minnesota appointed an executive committee of seven members, one from each Congressional district. These acting in conjunction with the secretary of the association, appoint county immigration committees. This measure has been carried out with so much vigor that we have county immigration committees organized and actively at work in 69 of the 81 counties in the State. The interest manifested in furthering the immigration movement is surprisingly great—in fact, has surpassed all expectations.

It has resulted in calling county and district conventions, mass meetings, etc.

etc.
A county convention was held at Hinckley, Pine County, soon after the State organization was formed, and was largely attended. A convention was held at Duluth for the Sixth Congressional district, and was attended by delegates from all over the district. It was held January 22 and 23 and was largely attended. Prominent speakers from various parks of the State were present and addressed the convention.
All of the other Northwestern States have organized State associations on or about assembling for that purpose, and the Northwestern immigration movement is assuming wonderful proportions and will result greatly to the advantage of the whole region, and Minnesota especially.

Very respectfully, yours,
T. L. SCHURMEIER.

T. L. SCHURMEIER.

Hon. A. R. KIEFER, Washington, D. C.

The gentleman from California [Mr. Johnson] presented early in the session a bill which if enacted into law would stop the progress and hinder the prosperity of any unsettled and undeveloped community. It seems to be aimed directly at the Polish people, and I have received and presented here many petitions from the Polish-American citizens of my district protesting against the passage of the Johnson measure. I am glad that the Committee on Immigration have not reported it to the House for consideration.

MINNESOTA AND CALIFORNIA.

Mr. Speaker, on March 3, 1849, the Congress passed the bill giving to Minnesota a Territorial government. On July 4 of the same year the returns of the first census were taken, and it gave the Territory a population of 4,680. At that time the California gold fever was at its height, and the rush to the Pacific Coast during that period has never been equaled. In 1850 California had increased so rapidly that Congress received her as one of the States of the Union. It was an entire decade before Minnesota was admitted. And yet to day we have as many Representatives on this of the Union. It was an entire decade before aliminesota was admitted. And yet to-day we have as many Representatives on this floor as California, and we have a population of a million and a half of as intelligent, enterprising, successful, and patriotic people as exists in any Commonwealth in the Union. I now desire to quote, with the permission of the House, the law in respect to restricting immigration. The acts approved March 3, 1891, provides of the state of the s vides as follows

That the following class of aliens shall be excluded from admission into the United States, in accordance with the existing acts regulating immigration, other than those concerning Chinese laborers: All idiots, insane persons, paupers, or persons likely to become a public charge, persons suffering from a lost home or a dangerous or a contagious disease, persons who have been convicted of a felony or other infamous crime or misdemeaner involving moral turpitude, polygamists, and also any person whose ticket or passage is paid for with the money of another or who is assisted by others to comenless it is affirmatively and satisfactorily shown on special inquiry that such person does not belong to one of the foregoing excluded classes or to the class of contract laborers excluded by the act of February 26, 1865; but this section shall not be held to exclude persons living in the United States from sending for a relative or a friend who is not of the excluded classes under such regulations as the Secretary of the Treasury may prescribe: Provided, That nothing in this act shall be construed to apply to or exclude persons onwicted of a political offense, notwithstanding said political offense may be designated as a "felony, crime, infamous crime, or misdemeanor involving moral turpitude" by the laws of the land whence he came or by the court convicting.

That certainly is effective and far-reaching. It may not always have been enforced, but in spirit and intent it is in my judgment sufficient for the ample protection of our people from the dangerous classes. Of all the suggestions and recommendations made by the Immigration Investigating Commission appointed under the act of June 13, 1894, there are none more important than those referring to the proper distribution of immigration. And I may say with a feeling of pride that the people of Minne-

sota were among the very first to take action on the lines suggested by the Commission in the following:

DISTRIBUTION OF IMMIGRATION.

"While this Commission fully believes in the exclusion of all undesirable immigrants, it is nevertheless its sincere conviction undesirable immigrants, it is nevertheless its sincere conviction that the solution of the vexations immigration problem is to be found not so much in a restriction of immigration as in a wise distribution of it. There are some comparatively small, densely-populated sections, to be sure, where no immigrants or only the most highly qualified are desired; but in the larger part of this country those immigrants are still needed who are only fitted for unskilled manual labor. This is particularly true of the vast undeveloped agricultural and lumber areas of the Northwest, South, and Southwest. And now that the business depression has a very content of the southwest. and Southwest. And now that the business depression has practically passed, manufacturing and construction enterprises, in both the newer and the older sections, will cause a steady demand for labor. Some arrangement should be made, therefore, whereby all immigrants who arrive without a fixed destination can be helped to find one of exactly the right sort. Such an arrangement the Commission has to propose.

"At present, many immigrants herd together in the densely populated centers. Nearly half of the steerage arrivals at the port of New York, for example, give their destination to the immigrant inspectors as New York City, because they know of no other place to go. That a considerable portion of them eventually drift elsewhere, for better or worse, is evident from the figures of the census; but quite too large a proportion remain to swell the ranks of the paupers or depreciate the labor market. Only a small persent go got where they welly cush to be that is into the persent go got where they welly cush to be that is into the persent go.

the paupers or depreciate the labor market. Only a small percentage get where they really ought to be—that is, into the work for which they are peculiarly fitted, in the localities where they are peculiarly needed. Existing conditions, in a word, exhibit a clear case of maladjustment, and the maladjustment is principally due to the lack of reliable knowledge on the part of the immigrants and their complete inability to obtain it.

"Notwithstanding the rapid mail and cable connection and the enormous transatlantic trade, the geography, topography, resources, and industrial and social conditions of the different sections of the United States are practically unknown in Europe. The only information accessible to an intending immigrant is contained in the letters received by himself or his neighbors, or in the circulars of speculators, and steamship and railroad companies, within or without the limitations imposed by sections 3 and 4 of the act of 1891, as the case may be. He leaves home finally with the expectation of abundant opportunities of bettering his condition, and with an eager determination to avail himself of them, but without any precise knowledge of where or how he is to do it. Under the circumstances it would be strange indeed if glib-tongued agents did not sometimes, in spite of all the vigilance of the Federal authorities, induce him to invest his the vigilance of the Federal authorities, induce him to invest his funds in worthless lands and played-out enterprises, or to let his labor to an unscrupulous padrone. The officers of the immigra-tion service have no authority to direct immigrants where it is to their advantage to go, nor could they, even if they had the authority, undertake so difficult and complicated a task in addition

"The Commission therefore recommends the erection on the un-occupied space of Ellis Island of a large, permanent exhibition hall. This hall should contain, in easily accessible form, maps, charts, photographs, printed descriptions, and sample products; also tabulated up-to-date records of the demand for particular kinds of labor in particular localities and the oversupply in other localities. All immigrants should be conducted leisurely through the hall by immigration officials and given an opportunity to choose their destinations. The building should be erected by private enterprise, said private enterprise being allowed to recoup itself for its outlay by being granted for a term of years, possibly ten, the exclusive privilege of letting offices to State boards of immigration and such private companies as are eligible from their known character and reliability.

"The wisdom of intrusting the erection of the building to private enterprise will be readily seen. It not only avoids the assumption of a new and possibly burdensome responsibility by the Federal Government, but it also precludes the possibility of serious complications with foreign governments and the governments of the States and the varied and powerful transportation and colonization companies involved. At the same time the building should be under the control and supervision of the Federal Government. to such an extent as may be necessary to guarantee the best interests of the community at large.

"The practicability of such an exhibition hall and labor clearing house has been demonstrated on a small scale by the Italian bureau of Professor Oldrini, already referred to. (See page 25.) It is significant of the great possibilities of such an institution on a large scale that the news is gradually traveling through the sections of Italy from which most immigrants come that at the Italian bureau in New York information and assistance may be had that is not mercenary.

"The Commission feels sure that the adoption of this or a similar plan for bringing about an intelligent distribution of immigrants will not only be the death of the padrone system, but will permanently silence the majority of the complaints now made against immigration."

Let us for a moment consider what immigration and the policy which has characterized our laws heretofore have accomplished for our country. There arrived in this country from the year 1820 to 1892, 16,611,060 immigrants. It will be interesting to note, in passing, the proportion of each of the leading nationalities in

the grand aggregation.

There came from Germany, 4,748,440; Ireland, 3,592,247; England, 2,534,955; Norway and Sweden, 1,032,188; Austria and Hungary, 585,666—1 to 140 people; Italy, 526,749; Russia and Poland, 517,507; France, 379,637; Scotland, 347,900; Switzerland, 185,488; Denmark, 163,769; China, 296,219; all other countries, 2,700,295.

From this aggregation I gather that these immigrants and their countries appropriate and their countries and their countries.

From this aggregation I gather that these immigrants and their offspring unquestionably contain fully one-half of our present population of 70,000,000 people. I find that there arrived at the port of New York during the six months ended June 30, 1892, 152,360 immigrants above 20 years of age, who brought with them \$3,060,908.05, 22,351 being German immigrants, who brought \$791,672. All of them brought willing hands, honest hearts, and healthy bodies, and all have found or will find the object for which they came here—a home in this land of liberty, justice, and equality. They have materially assisted in making this Government the progressive empire that it is to-day; they have given their adopted country laborers, farmers, mechanics, merchants, manufacturers, lawyers, doctors, teachers, bankers, ministers, soldiers, and statesmen. They have erected colleges, schools, and churches. I refute the statement which we have heard made, that a large proportion of the immigrants remain in the big cities. It is the Scandinavian, Irish, and German aliens who have settled upon churches. I retute the statement which we have heard made, that a large proportion of the immigrants remain in the big cities. It is the Scandinavian, Irish, and German aliens who have settled upon the fertile prairies and fruitful fields of the great Northwest and made it a wealth-producing empire. It is they who have aided in building up cities, towns, and villages. Take, for instance, the city of New York, with its population of over 2,000,000. Less than 39 per cent of that population consists of the German nationality. Chicago has less than 38 per cent. The progressive and enterprising city of St. Paul, the great commercial metropolis of the Northwest, has less than 32 per cent. Minneapolis has less than 18 per cent, and so on through the long list of cities until we find Portland, Me., with less than 29 per cent. This all goes to show that the foreign-born citizen is found largely outside of big cities.

In dealing with this question it will not do to rely too much on sentiment. The argument of existing condition and the logic of the pocketbook is far more potent than all the theories of the persistent pessimist who invariably is on the outlook for danger signals. What part have our alien citizens played in the history, growth, and development of the United States during the last half century? Eliminate their record, and while not detracting in the least from the name and fame of our noble, native-born citizens, I

least from the name and fame of our noble, native-born citizens, I say, without fear of successful contradiction, that the very best thought, noblest action, and patriotic impulses from other lands have been given ample play and have found full vent in the resources of the United States. Now, it is held by some that the resources of our country have been fully tested by the present population and no more labor should seek employment within our borders. This argument, I am free to say, has been advanced with some force since the present Administration of our Government. with some force since the present Administration of our Government assumed control; but such argument in general can not maintain. Our own State, the imperial Commonwealth of Minnesota, contains 58,000,000 acres of the finest agricultural and grazing lands in the world, of which less than 7,000,000 acres are under cultivation. Upon a territory covering 80,000 square miles there now resides 1,500,000 happy, law-abiding Christian people, the larger part of them being of foreign birth or descent. In no locality has this country been more lavishly enriched than has our State; and yet consider the opportunity yet open in that magnificent domain under conditions which have prevailed during the last decade up to the time when dire distrust and free importalast decade up to the time when dire distrust and free importa-tion of materials manufactured by cheap labor have threatened disasters to our commercial and industrial growth.

disasters to our commercial and industrial growth.

We are a people claiming to stand upon the very pinnacle of Christian civilization. We are proud of being called the most magnanimous and unselfish of all nations. We are proud, too, of being the owners of untitled land enough in our own borders to give labor and happiness to millions and millions of our fellowbeings. Let us not forget that many of our noblest citizens were happy to find this country the land of plenty, peace, and prosperity, and were permitted to make this their home by those who came before us. came before us.

Yes, it is claimed, and justly so, that the Mississippi Valley alone, with its neighboring territory, is capable of furnishing homes for fully 500,000,000 people. We own nearly one-seventh of the fertile lands of the world, and yet you hear people say that we are too thickly populated, and that we must take measures to

stop immigration, that no more room is left for newcomers. People who talk thus know nothing of the geography of the country wherein they are born. In this country 500,000,000 men, women, and children can find bread, can live and be brought up. We need not fear to double and triple our present population. What we must do is to educate their children when they reach What we must do is to educate their children when they reach here, and in a generation or two we will see them American citizens of whom the Republic may well be proud. Who knows of better citizens than those hundreds and thousands of foreignborn citizens who risked their lives to save the Union and Republic? Do you not regard them as just as high and worthy as the native born? Their minds, their hearts, their views, are what we should look to. We should not ask where one is born, but ask, "Is he a good man? Is he willing to grant others what he demands for himself?" That seems to me to be the true test.

What American does not know the noble and patriotic words of Jefferson, embodied in the Declaration of Independence, and sanctioned in the Constitution, which makes ours the land of liberty and the asylum of the oppressed of every nation? These

liberty and the asylum of the oppressed of every nation? These are his words:

Every attempt to abridge the present privilege of becoming citizens and owners of soil among us ought to be resisted with the same spirit which swept the alien and sedition laws from our statute books.

Labor.

SPEECH

HON. GEO. B. MCCLELLAN,

OF NEW YORK.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896.

The House being in Committee of the Whole on the state of the Union and having under consideration the bill (H. R. 6119) authorizing the appointment of a nonpartisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital—

Mr. McClellan said:
Mr. McClellan said:
Mr. Charman: In a partly civilized community where ignorance is prevalent, labor is of necessity, on the surface at least, content. Whatever discontent may exist among the laboring classes finds no intelligent method of expression. In such communities labor can only assert itself by uprisings accompanied with physical force. Under such circumstances the laborer knows that his condition is not what it should be, but is unable to either discover the cause or suggest a remedy. Unrisings may occur in cover the cause or suggest a remedy. Uprisings may occur in partly civilized communities, but they are eventually suppressed and labor finds itself in even a worse condition than before. It

and labor finds itself in even a worse condition than before. It is a curious commentary on modern conditions that the greater the civilization the greater the apparent discontent of labor. The almost universal discontent of labor at the present day is due primarily to the great increase of education and intelligence among the wage earners of the world, to the specialization of labor with the introduction of modern machinery, and to the displacement of labor through more economical methods of production and distribution.

All concede the truth of the abstract proposition that it is the duty of government to legislate for the good of the greatest number. It is certainly the duty of Congress, in accordance with a strict construction of its constitutional powers and limitations, to do all that it can for the improvement of the condition of the great majority of its citizens, the wage earners.

THE "FREE AND UNLIMITED CONAGE OF SILVER" ARGUMENT.

THE "FREE AND UNLIMITED COINAGE OF SILVER" ARGUMENT.

During the present session of Congress I have heard gentlemen in all seriousness charge the present discontent of labor in this country to what they are pleased to call the "demonetization of silver," and suggest, as the only relief for the struggling masses, the free and unlimited coinage of silver at the ratio of 16 to 1.

the free and unlimited coinage of silver at the ratio of 16 to 1.

Free-silver advocates base one of their strongest arguments in favor of the free and unlimited coinage of silver upon the fact that since the so-called "crime of 1879" prices of almost all commodities have fallen. Observing that the price of silver has fallen even more than that of other commodities, they have jumped to the conclusion that there is the relation of cause and effect between these two facts, and that the fall in the price of silver has caused the fall of prices in other commodities, and that were the price of silver to be restored by any means the prices of other commodities, including labor, would in consequence rise. This argument is absolutely unwarranted, and more worthy of the nursery than of the House of Representatives.

It is one of the canons of logic and of common sense that where

It is one of the canons of logic and of common sense that where simple explanations for given phenomena are at hand complex explanations should not be sought. It is safe to assume that where

the price of an article rises greatly the demand has outrun the the price of an article rises greatly the demand has outrun the upply, and that where the price falls the supply has outrun the demand. With this simple explanation of the cause of the fall in prices in the last quarter of a century, it is scarcely conceivable that anyone should attribute a general fall in prices to the fall in the price of one specific article. The claim that the fall in the price of silver has caused the fall in the price of other articles can be proved and never has been proved. Continuous have connot be proved and never has been proved. Gentlemen have generalized upon the floor of this House, free-silver advocates have repeatedly made the claim, but they have never attempted to prove it. The logical and sensible explanation that the fall of prices has been caused by overproduction is, on the contrary, capable of

HON. DAVID A. WELLS PROVES THE CORRECT THEORY

The wonderful advances of the world during the last quarter of a century in improved and economical methods of production and distribution, which have been mainly due to the progress of invention and discovery, have resulted in an enormous production of all the necessaries of life. While the demand has to a certain extent kept pace with the supply, competition and greater facilities of transportation have constantly kept the supply in excess of the demand

ss of the demand.

cess of the demand.

The Hon. David A. Wells, in his epoch-making book, Recent Economic Changes, has proved this view of the case by giving a detailed history of each of the leading commodities the price of which has fallen, and has shown that in every case the fall of price has been preceded by a very great increase of production; that the supply has outrun the demand, not the demand in the abstract, for in a certain sense there is no limit to the demand for useful and desirable things, but the demand at the preexisting price. He cites instances, not only of the naturalness of the decline of price, but also of the benefit that that decline has afforded

decline of price, but also of the benefit that that decline has afforded to the great majority of the people of the world.

The beet-sugar industry, for instance, has been built up largely at the expense of the cane-sugar industry. Regardless of the question of the soundness of the policy of paying bounties, the result of this has been that the world now gets very low-priced sugar. The industry of tea cultivation has, in a natural manner, been transferred from China to India, and the price has greatly fallen. Quinine, which not long ago sold for \$1 an ounce, is now cultivated in the East Indies and is sold at but a fraction of its former price. These are merely instances taken from Mr. Wells's book. vated in the East indies and is sold at but a fraction of its former price. These are merely instances taken from Mr. Wells's book. The list might be continued indefinitely. They are sufficient, however, as an illustration, and it may be said in passing that the Europeans engaged in raising beets and making beet sugar have to work upon the gold basis, while most of the countries interested in cane sugar are upon the same silver basis as are the Chinamen who have been injured in their tea industry, but never raised a hand against silver, and that South America, which has been deprived of its quinine industry, is also upon a silver basis. It will be seen that in none of these three cases has the silver standard succeeded in maintaining the price of the injured industry.

WAGES HAVE RISEN AND PRICES FALLEN

Prices have constantly fallen since 1860, except during the period of inflation under the suspension of specie payments. If gentlemen interested in the free and unlimited coinage of silver would carefully examine part 1 of Senate Report 1394, second session, Fifty-second Congress, called the "Aldrich report," they would find therein many facts that would probably shake their allegiance to the white metal.

to the white metal.

to the white metal.

I have prepared a table, which I shall ask the permission of the House to insert in the RECORD, which is merely a comparison taken from a number of tables in the Aldrich report. All the prices are computed upon the basis of 1860, being percentages of the averages during that year. The average price of 53 articles of food rose during the period of inflation of 1865 to 216.5, fell in 1873 to 129.8, and has since then been falling until 1891, when it reached 103.9. The average price of 28 articles of cloths and clothing rose in 1865 to 299.2 and has been steadily falling ever since until 1891, when it reached 81.1. The average price of 10 articles of fuel and lighting rose in 1865 to 237.8 and has been falling since then until it reached 91 in 1891. The average price of 54 articles of metals and implements rose in 1865 to 191.4 and has since been falling until in 1891 it reached 74.9. The average price of 35 articles of lumber and building material rose in 1865 to 182.1 and had fallen in 1891 to 122.3. The average price of 18 drugs and chemticles of lumber and building material rose in 1865 to 182.1 and had fallen in 1891 to 122.8. The average price of 18 drugs and chemicals had risen in 1865 to 271.6 and fallen in 1891 to 86.3. The average price of 15 articles of house furnishings rose in 1865 to 181.1 and had fallen in 1891 to 70.1. The average price of 10 miscellaneous articles, such as soap, etc., rose in 1865 to 208, and in 1891 had fallen to 95.1. The average price of these 223 articles, all necessaries to the wage earner and all used in daily life, rose in 1865 to 216.8 and have been falling ever since until 1891, when their average was 92.2. their average was 92.2.

The advocates of free silver are undoubtedly sincere in thinking that a rise of prices would be a benefit to the community. They

overlook the fact that while the prices of most commodities have fallen during the last twenty-five years, the price of that all-important commodity, labor, has risen.

Estimating as before upon the basis of 1860, the average price

of labor in the following leading industries, agricultural implements, ale, beer and porter, books and newspapers, building trades, carriages and wagons, city public works, cotton goods, dry goods (stores), ginghams, groceries (stores), illuminating gas, leather, lumber, metals and metallic goods, paper, railroads, sidewalks, spice, stone, white lead, woolen goods—21 in all, was, in 1865, in currency 143.1, in gold 66.2; in 1870, in currency 162.2, in gold 133.7; in 1873, the year of the so-called "crime," in currency 167.1 in gold 148.3; in 1875, immediately after the so-called "crime of 1873," in currency 158.4, in gold 140.8, and has been rising ever 1873, "In currency 138.4, in gold 140.8, and has been rising ever since the resumption of specie payments until in 1891 the average had reached in gold 160.7.

The hours of labor in these twenty-one industries have steadily fallen from eleven per diem in 1860 to ten and a half in 1873 and

to ten in 1891.

A further examination shows that the average wages paid to anthracite coal miners rose in currency in 1870 to 233.4, and are in gold to-day 177. The average wages paid to iron-ore miners rose in currency in 1865 to 161.8; in 1870 to 214.7; and are to-day 213 in gold. The average wages paid to teachers in four cities, St. Louis, Poster Committee and Paleira and Paleira average. Boston, Cincinnati, and Baltimore, rose to 134.7 in 1865, 186.3 in 1870, 183 in 1873, and have been rising ever since to 1891, when the average was 186.3. Meanwhile it may be interesting to note that while the ratio of silver to gold in 1860 was 15.29; in 1865, 15.44; in 1870, 15.57; in 1873, 15.92; in 1875, 16.59; in 1880, 18.05; it has been steadily increasing, until in 1894 it was 32.56; and while the value of the silver dollar in gold was in 1873, 1.004; in 1875, 0.964; in 1880, 0.886; it was in 1894, 0.491. In other words, beginning in 1860, with the exception of the period of inflation exaggerated by the speculation incident to the war, prices of the necessaries of life have been steadily decreasing until to-day they have reached the lowest point in modern times

Silver has had about the same price history as all other commodities. It may have fallen lower than some others, but if it has, it is merely because the supply has more greatly outrun the demand and because the demand has fallen farther behind the

supply.

FALLING PRICES A BENEFIT TO THE PEOPLE.

Were the buyers and the sellers in a community numerically equal, a rise or fall of prices would have no relative effect; but as the buyers vastly outnumber the sellers, as the wage earners outnumber the capitalists, a fall in prices must benefit the great majority of the people. While invention and discovery and the increase of supply over demand have forced the producer to place his goods upon the market at greatly reduced rates, he has at the same time been obliged by competition and organized labor to pay

higher wages to his employees.

There can be no question but that incomes have been reduced. There can be no question but that incomes have been reduced. Since the period of inflation the rate of interest has gone down, and possibly the well-to-do, living upon the interest of their capital, are poorer to-day than they were twenty-five years ago; but wages have increased steadily since the "crime of 1873," and the prices of the necessaries of life have fallen, and the hours of labor have been reduced; so that the condition of the wage earner is infinitely better to-day than it was before 1873.

infinitely better to-day than it was before 1873.

If the so-called demonetization of silver has brought about this condition, it was certainly the greatest act of beneficence ever performed by a legislative body. Applying the same reasoning to the rise in the rate of wages that the free-silver advocates do to the general fall in prices, it would be no more ridiculous to say that the improved condition of labor to-day is due entirely to the so-called demonetization of silver. Had there ever been any danso-called demonstration of silver. Had there ever been any danger prior to 1873 of our drifting upon a silver basis this argument might hold. But it is ridiculous, for the "crime of 1873" was merely the recognition of existing conditions brought about by the fact that in 1837 the bullion value of the silver dollar was made a little greater than its face value in gold, which resulted in silver being driven from the country under the operation of Gresham's law: that the least valuable money always drives the more valuable out of circulation.

It is a fact that during a period of rising prices the price

It is a fact that during a period of rising prices the price of labor is the last to join an upward movement. The price of this commodity is the slowest to adjust itself to a general rise in the prices of all commodities. Were the free and unlimited coinage of silver to be permitted, it is probable that for a time we would pass through a period of inflation, of rising prices and of mad speculation. The prices of most commodities would probably be doubled to adjust themselves to the new 50-cent dollar. Manufacturers and producers, realizing the short duration of the boom, would greatly increase the prices of their commodities to take advantage of the inflation; but, until the speculative era had passed by and we had established ourselves upon a silver basis, no producer could afford to raise the price paid for labor.

The chief sufferers from the free coinage of silver would not be the rich but the poor. The capitalist, with his credit or hoard of merchandise, could stand the strain of a depreciated currency, and, joining the mad debauch of speculation incident to inflation, double or treble his capital. The wage earner, who has but one commodity for sale, labor, would be the chief sufferer. Labor can not be hoarded, but must be sold at once. A man having nothing for sale but his own labor must find a ready market for it, as he lives from hand to mouth and from day to day depending on his daily wages. The employer would be able to take advantage of unsettled prices in selling his goods, but could not afford to pay increased prices in purchasing labor. Wages would remain the same, while the prices of other commodities would not only be doubled to adapt themselves to the depreciated dollar, but would receive a speculative upward impetus. The price of labor would, for the time at least, remain at the same nominal rate, which, with a 50-cent dollar, would be half what it formerly had been. In the end wages might possibly adapt themselves to the new order of things; but it is noteworthy that during the civil war, while the prices of the 223 articles before mentioned rose 116.8 per cent, and during the period of inflation the prices of labor never caught up to the prices of other commodities measured in the depreciated dollar. The same has been the case in free-silver Mexico, in Chile, in Italy, and in fact in every country using depreciated money. Even if wages were eventually to adjust themselves to the silver dollar it would be the task of many years filled with untold misery and suffering to the men who have made this country what it is, the wage earners. The advocates of free silver are the worst enemies the laboring classes have.

The interests of the discontant of labor is at 16.5 and 16.5 a

THE INTERESTS OF LABOR AND CAPITAL THE SAME.

Many of the causes of the discontent of labor in specific instances are due to the disregard of the fact that the interests of labor and capital are the same. It must be acknowledged that only too often capital is grasping and exacting in its demand upon labor and that labor regards capital as its natural enemy. In civilized communities the only redress ready to the hand of labor is the strike. One of the usual methods employed by capital for enforcing its demands upon labor is the lockout. No strike and no lockout can possibly occur without tremendous loss to both employer and employed; greater to the employed, for they are not in a position to successfully withstand the suffering incident to the loss of employment. It is one of the hopeful signs of the times that we are tending in all the affairs of life to settle differences by arbitration. Most of the differences between labor and capital are in part susceptible of explanation and would almost always be subject to adjustment could the natural bitterness of a contest for mastery be eliminated. Many of the causes of the discontent of labor in specific instances

THE ERDMAN BILL.

There have been reported from the Committee on Labor two bills—one the Phillips bill, which we are now discussing, and the other the Erdman bill, which I understand is to be considered before adjournment. They are both drawn in the interest of

abor and capital alike.

The Erdman bill provides for an easy, economical, and certain method of arbitration. It appears to be satisfactory to both labor and capital. It shows on the part of its author a profound knowledge of labor problems, a deep interest in the cause of labor, and extreme care in drawing it so as to make it apply with equal fairness to both employer and employed. ness to both employer and employed.

THE PHILLIPS BILL.

The Phillips bill proposes the appointment of a commission to investigate the causes of the discontent of labor and to suggest to the different States of the Union uniform legislation for the

In 1878 Mr. Thompson submitted a resolution to the House of Representatives, which was agreed to, for the appointment of a committee of seven "to inquire into and ascertain the causes of general business depression, etc."

The royal (British) commission on the depression of trade,

which reported to Parliament in 1886, went more deeply into the subject than has any similar body.

The British gold and silver commission, which reported in 1888,

also investigated to some extent the causes of the question of the

discontent of labor.

The Aldrich committee, to which I have previously referred, collected a vast amount of valuable data bearing upon the subject, but did not attempt to draw conclusions.

CAN THE DISCONTENT OF LABOR BE REMOVED!

It is an open question whether or not the discontent of labor can be removed by legislation, and whether it is not caused by natural laws and by the complicated conditions of modern society, which legislation would be powerless to change. The commission proposed in this bill would have powers and facilities which no

other commission has ever possessed. While it might not find a remedy, it would at least be in a position to suggest the probable causes. It is urged against this bill that the commission would be a costly luxury born in the mind of a doctrinaire. The gentleman who has drawn this bill is not only a close and able students. dent of economic problems, but one of the most practical and successful business men in the country. In the preparation of his bill he has consulted all the interests involved, and it is the result bill he has consulted all the interests involved, and it is the result of the best thought obtainable among laboring men and capitalists. If the commission accomplishes an infinitesimal part of the work that has been laid out for it, it will be the most successful in history. When the happiness and the welfare of millions of people are at stake, the expenditure of a few thousands of dollars is not worth considering.

The Government, however, has a duty to perform more essential to the welfare of the country than any legislation on any one specific question; it is a duty that it owes to the capitalists of the country and to the business men, but more especially to the wage.

country and to the business men, but more especially to the wage earners. The most important duty of this Government is the maintenance beyond question of the present standard of value the gold dollar.

Table showing the rise of wages and the fall of the prices of all other commodi-

teca auto	ce 1000°				
Articles.	1800.	1865.	1870.	1873.	1875.
Food, 53 articles	100 100 100 100 100	216.5 299.2 237.8 191.4	153.8 139.4 196.5 127.8	129.8 136.9 134.6 129.8	130.5 120.1 156.5 117.5
Lumber and building material, 35 articles. Drugs and chemicals, 18 articles. House furnishings, 15 articles. Miscellaneous, 10 articles. All articles, 223 Wages in 21 industries. Same in gold. Hours of labor in same. Anthracite coalminers' wages. Iron ore miners' wages. Iron ore miners' wages. Ratio of silver to gold. Value of silver dollar in gold (average)	100 100 100 100 11 100 100	182.1 271.6 181.1 202.8 216.8 216.8 143.1 60.2 10.7 191 161.8 134.7 15.44	148.3 149.6 121.6 148.7 142.3 162.2 133.7 10.5 233.4 214.7 186.3 15.57	171. 9 141. 5 100. 1 132. 4 137. 5 167. 1 148. 3 10. 5 232. 8 204. 9 183 15. 92 1. 004	143.7 144.3 95 122.9 127.6 158.4 140.8 10.3 183.7 180.1 16.59
Articles.	1880.	1885.	1890.	1891.	1804.
Food, 58 articles	100.2 96.3 130.9 113.1 85.2 109.8 106.9 141.5 141.5 10.3 178.7 213 182.8 18.05	185. 7 84. 8 MH. 6 77. 4 128. 6 86. 9 70. 1 97. 5 93 150. 7 160. 7 160. 7 1213 186. 3 19. 41 823	104. 6 82. 4 92. 5 73. 2 123. 7 87. 9 69. 5 89. 7 92. 3 158. 9 10 177 213 186. 3 19. 76 , 81	103.9 81.1 91 74.9 122.3 86.3 70.1 95.1 92.2 160.7 100	32.50

Apsley on Protection.

Protection and Reciprocity-Repeal of the Tariff Law of 1890-Its Effect on National Revenues and on Commercial Conditions

SPEECH

HON. L. D. APSLEY,

OF MASSACHUSETTS.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896,

On the bill (H. E. 6119) authorizing the appointment of a nonpartisan commission to collate information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital.

PRESIDENTIAL HYSTERICS.

Mr. APSLEY said: Mr. Speaker: Our present Chief Executive has on several occasions dealt largely in literary hysterics. Among his latest examples is his message of December 17, 1895, on the Venezuelan boundary question; but that in his message of August 7, 1893, on the repeal of the Sherman law is still more extraordinary.

All that was required in the Venezuelan matter was a simple All that was required in the venezueian matter was a simple statement of the facts then known and an intimation to Congress that he desired funds to enable him to ascertain such additional information as he thought necessary. All his suggestions as to war, as to resisting by every means within our power, as a willful aggression by Great Britain, the exercise of jurisdiction over lands which she claimed in an unknown region under the equator, were abelly uncelled for. It was were than this. Such idle and needs wholly uncalled for. It was worse than this. Such idle and need-less threats against a friendly nation can only be properly desig-nated as a political crime. Should occasion unfortunately arise, we trust all Americans would be united for any national interest or sentiment; but it is a well-known fact that those who have once or sentiment; but it is a well-known fact that those who have once fought have more conservative ideas as to war than those who have delegated their fighting to a hireling. To add to the inconsistency of the action, on the third day thereafter he sent a melodramatic message to Congress begging them to vote him money to relieve the nation from impending bankruptcy caused by the maladministration of national affairs by his own party and aggravated by the hysterical deliverance to which I have just alluded.

Even these are eclipsed by the words he used in the midsummer message of August 7, 1893. He had then been President for more than five months, President-elect for nine months, and having been President once before he was no groundling. He well knew, or should have known, that the conditions which he described so graphically were caused by the change in national policy foreshadowed by the election of November, 1892, when his party, the champion of free trade and of a tariff for revenue only, had been voted

pion of free trade and of a tariff for revenue only, had been voted into power at the polls.

THE COUNTRY UNDER PROTECTION.

Let us look on the two industrial pictures—the one drawn by Harrison of the condition of affairs under the Republican policy, and that shown by Cleveland under the Democratic policy of free

President Harrison, fourth annual message, 1892:

In submitting my annual message to Congress I have great satisfaction in being able to say that the general conditions affecting the commercial and industrial interests of the United States are in the highest degree favorable. A comparison of the existing conditions with those of the most favored period in the history of the country will, I believe, show that so high a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people.

There never has been a time in our history when work was so abundant or when wages were as high, whether measured by the currency in which they are paid or by their power to supply the necessaries and comforts of life.

WHERE ARE THESE SAVINGS NOW?

Another indication of the general prosperity of the country is found in the fact that the number of depositors in savings banks increased from 693,870 in 1860 to 4,258,863 in 1890, an increase of 513 per cent, and the amount of deposits from \$149,277,504 in 1800 to \$1,524,844,506 in 1890, an increase of 921 per cent. In 1891 the amount of deposits in savings bank was \$1,623,079,740. It is estimated that 90 per cent of these deposits represent the savings of wage earners.

THE PROTECTIVE SYSTEM.

I believe that the protective system * * * has been a mighty instrument for the development of our national wealth and a most powerful agency in protecting the homes of our workingmen from the invasion of want.

He did not attempt to argue as to the merits of protection. That system, he said, had now been put into the hands of its avowed enemies, and the results of their action would be awaited with intense interest. While he warned us that the immediate results would be a decreased revenue from customs duties, he was yet generous enough to say that those who had so advocated pro-tection and had predicted dire results from its abandonment could

well afford to be disappointed in their forecasts.

We had had, he said, in our history several experiences of the contrasted effects of a revenue and a protective tariff; but this generation had not felt them, and the lessons learned by one generation were not always accepted by that which followed it. He added, however, that the friends of the protective system would await with confidence the verdict of the future.

INCREASED MARKETS ABROAD.

In his review he noted as the only serious question the low prices of wheat and other farm products. This condition had prices of wheat and other farm products. This condition had been due to increased production in other countries and to our exports being discriminated against. To remedy this he announced the negotiation of reciprocity agreements with Brazil, Spain for Cuba and Puerto Rico, Germany, Austria, and various Latin-American countries. Others were in course of negotiation, and had it not been for the change announced and determined on by the incoming party these would have soon included nearly every nation with whom such were advisable.

While these treaties were just beginning to demonstrate their value he was even then able to show that our exports of domestic products, mostly in wheat, flour, meat, and dairy products, manufactures of iron, steel, and lumber, to these countries had increased \$20,772,621, in this way widening the market of our farm-

ers for the wheat and other products which had been displaced by recent extraordinary outputs in the Argentine Republic and Russia, and had caused such a marked decrease in the Old World prices. All who were interested knew then that our flour was going by carload lots from far interior towns to the seaports for export to Cuba, where, for the first time in the history of the nation, the Spanish Government had been obliged, because of the retaliatory clauses of the tariff of 1890, to let in our food products on favorable terms. We are all well aware that the Wilson law repealed these provisions and that as a consequence our magnificent new trade was stricken down, our favorable terms of impor-tation into Cuba and Puerto Rico were promptly done away with by the Spanish Government, and our flour and other productions had to find consumers at home.

WHAT IS RECIPROCITY?

Many Democratic authorities declare that reciprocity in trade between nations is in fact free trade, pure and simple. They forget the first condition to such treaties. There must be a tariff list from which to except certain articles. Without this the United States would have nothing to give. If all the products of a foreign country were already free they would laugh at our offer to make them any freer by means of a treaty. Having given away our markets, our appeal would have to be made to the generosity and not to the self-interest of other nations. Lord Salisbury once said that free trade might be noble but it was not business; but whatever may be said of reciprocity, it is certainly business. It is fair and open exchange. We say to Spain we will remove all duties upon your sugar if you will admit our flour free, and the American people taste the sweets of free sugar, the Cuban people eat untaxed bread, and the producers of flour and of sugar have an enlarged market.

UNDER THE M'KINLEY LAW WE HAD A TARIFF.

The law of 1890 had been so framed that the President could negotiate treaties, conventions, and agreements with foreign nations to secure larger sale of our surplus agricultural and manufactured products, and if such nations would not join us in this effort he could impose retaliatory duties on the imports from that country.

This confronted these nations with a condition and not a theory: where they had to consider whether they should lose this great market entirely or whether they should give us something of value in return.

NATIONS MAKING SUCH TREATIES.

The following is a list of the nations which entered into the special tariff agreements: Brazil, in effect April 1, 1891; Spain for Cuba and Puerto Rico, September 1, 1891; German Empire, effective February 1, 1892; Salvador, British West Indies, Nicaragua, Guatemala, Costa Rica, Honduras, France, and her colonies, Austria-Hungary, and others.

WHAT WE GAINED BY RECIPROCITY.

WHAT WE GAINED BY INCIPROCITY.

With Spain (to Cuba and Puerto Rico) we gained at once at the rate of more than ten millions per year; with Brazil, from ten to fifteen millions; Guatemala, nearly one and a half millions; Venezuela, one and three-quarter millions; Haiti, two millions three hundred and sixty thousand; British West Indies, over two and a half millions; and so on through the list, so that the net gain, allowing for all losses by reason of civil war and financial disturbances in some of these countries—to the South was for the year over twenty-five millions. All this and all the growth of year over twenty-five millions. All this and all the growth of this trade, which was estimated as certain to grow to more than one hundred millions, was thrown away by the Democratic repeal. It did more than lose this; it gave our trade to these countries such a blow, because of the dishonor which attaches to this

such a blow, because of the dishonor which attaches to this abrogation of a treaty, as will require time to recover from.

All the increase in these exports was in grain, corn, wheat, flour, lard, provisions, and the general list of manufactured articles. These people all want our goods, but they had to pay extra duties on them, so as to foster the mother country back in Europe, until the law of 1890, by the clauses mentioned, enabled the President to call a halt on such acts and to say to them, Let in our goods on fair terms or we will tax your goods out of our markets. Of course these various European countries did not love the Repubcourse these various European countries did not love the Republican party for this action. They looked with little favor upon the party which had enacted a law declaring in effect that America was for Americans, and their great public newspapers were a unit in demanding its repeal. So soon as the Republican tariff was out of the way these nations, France, Germany, and others, shut out our food products or discriminated against them so as to almost ruin our trade there in many lines. It is useless for our ministers to protest; we have deliberately thrown away the only lever, the only weapon with which we could have presented this estimates only weapon, with which we could have prevented this action, and we now have to pay, in the great loss in our export trade, the cost of Democratic incompetence and hostility to the interests of labor and agriculture in the United States.

PRESIDENT CLEVELAND'S MESSAGE OF 1803

The evil results of the change in national policy which was to be inaugurated by the Democratic party began to show themselves with the first days of the year 1893. By the time the new President was installed this had become so threatening that Cleveland was censured by many for not at once convening Congress. Perhaps he was afraid of the newly elected Representatives. As any rate, he neglected to avail himself of their counsel and assistance until the industries of the country were in a state of complete prostration. No such spectacle had ever before saddened the American people; their honest workmen were idle in hundreds of thousands; anarchists and "Coxeyites" held high revel, and all the world looked on in surprise at the awfulness of the disaster the world looked on in surprise at the awfulness of the disaster

which had so suddenly come upon us.

After waiting five long months he finally called Congress in special session. On the 8th of August he addressed them a message, which stands, and I trust may ever stand, separate and apart among the utterances of our Presidents—an abject confession of incapacity and a blind accusation of all existing conditions on the party and policy which had ever been successful in preventing such conditions from arising:

The existence of an alarming and extraordinary business situation, involving the welfare and prosperity of all our people, has constrained me to call together in extra session the people's representatives in Congress, to the end that, through a wise and patriotic exercise of the legislative duty with which they solely are charged, present evils may be mitigated and dangers threatening the future may be averted.

The President thus proceeds to give his diagnosis of the sudden prestration which had come upon the country coincident with the beginning of his Administration:

Our unfortunate financial plight is not the result of untoward events nor of conditions related to our natural resources; nor in it traceable to any of the afflictions which frequently check national growth and prosperity. With plenteous crops, with abundant promise of remunerative production and manufacture, with unusual invitation to safe investment and with satisfactory assurance to business enterprise, suddenly financial distrust and fear have sprung up on every side. Numerous moneyed institutions have suspended because abundant assets were not immediately available to meet the demands of frightened depositors. Surviving corporations and individuals are content to keep in hand the money they are usually anxious to loan, and those engaged in legitimate business are surprised to find that the secrities they ofter for loans, though heretofore antisfactory, are no longer accepted. Values supposed to be fixed are fast becoming conjectural, and loss and failure have invaded every branch of business.

HE STATED CONDITIONS CORRECTLY.

All the facts he states above were true, too true, as we are all And what a contrast to the times left by the preceding Administration, and which were correctly portrayed in the message of President Harrison sent to Congress only eight months before. National and individual prosperity on the one hand; national and individual poverty on the other.

HE ASKS THE REPEAL OF THE SHERMAN LAW.

He had waited five months to find some other excuse for the He had waited five months to find some other excuse for the awful ruin in view, to find some other cause to allege than the plain and well-known one of impending free trade. At last he chose his "Bogy," the thing with which to cover with obloquy; on which he might safely vent his spite. With a Treasury bankrupt because importers chose to wait for the promised free trade, he found the sole and only cause was the so-called Sherman law. Here is what he said of this:

I believe these things are principally chargeable to Congressional legisla-tion touching the purchase and coinage of silver by the General Govern-

ment.

This legislation is embodied in a statute passed on the 14th day of July, 1890, which was the culmination of much agitation on the subject involved, and which may be considered a truce, after a long struggle, between the advocates of free silver coinage and those intending to be more conservative.

If the principal cause be removed the evil must needs soon pass away. Has this happened?

THE SHERMAN LAW IS REPEALED.

We of the United States have now endured existence nearly We of the United States have now endured existence nearly three years since this awful law was repealed, and have we grown sleeker and fatter since? Has the steady decline in every branch of legitimate industry ceased for a day, or have we found our resources ever growing less day by day? Did this country, so prosperous in 1892 in spite of this Sherman law, regain even that prosperity after its repeal in 1893? Let the undeniable business conditions answer; let the people of this country answer, waiting, as they have been, for the time to pass and counting the months and days until they should have an opportunity to express their opinions on the conduct of affairs and to return to the policy operation, under which this country has ever had its widest and protection, under which this country has ever had its widest and

safest prosperity.

The Democratic party repealed the Sherman law; the purchase of silver bullion stopped for once and all. And what have been the results? Not even the bullion in the Treasury or the seigniorage or profits on the coinage of silver can be used, while we have

pledged the future to pay for current expenses to the extent of \$260,000,000, against a saving of \$250,000,000 in the public debt by the last Republican Administration.

Has business improved? Are all financial distrust and fear passed away? Not exactly! If not, then it must have been a false alarm of President Cleveland, an incorrect diagnosis of the national ills. Or was it not in fact caused by the threat of the tariff reduction, a threat made good by the passage of the "Wilson-Gorman" bill, a measure so corrupt and ill designed that the President himself was compelled to let it become a law without his signature?
The Sherman law had done but little harm under the Repub-

lican conditions of a solvent Treasury and an increased export trade to foreign countries; but the reduced revenues caused by the impending reduction of the tariff brought about incipient national bankruptcy, a condition which Democratic blindness charged entirely to the Sherman law.

THEY PUT THEIR HEADS IN AMBUSH.

After four months of wrestling, the Democratic party, in November, 1893, finally repealed this awful law, and, thinking the country was now saved from Republican wickedness, took a few weeks' rest before giving us the "simonpure" free trade which they had promised the country. With their heads safely hidden, ostrich-like, in the bushes, they could not sense the terrible storm of ruin then sweeping the country. They had done their duty, and if the people did not know when they were saved it was no fault of the narty. Indeed many of them charged that merchants and if the people did not know when they were saved it was no fault of the party. Indeed, many of them charged that merchants were deliberately throwing away their money, sacrificing their whole fortunes, just to say so to the Democrats. The American people were to their eyes like the obstinate and opinionated patient who insisted on dying when the doctor declared he had given the proper remedies, that he must get well, that all the Democratic doctor books said that was the proper treatment, and that he did not treat the physician rightly by insisting on going off when in fact all theories said he should get on and recover.

THE WILSON-GORMAN BILL.

Now, with clear decks, with President and Senate and House, all the machinery of the Government, in their hands for the first time since poor, old, pottering Buchanan was their political idol, they fell to with shouts of glee to execute their long-cherished desires. fell to with shouts of glee to execute their long-cherished desires. The chief manufacturing and agricultural industries of these now unfortunate United States lie, for the most part, to the north of the Ohio; and it would have seemed only the part of ordinary prudence to let the representatives of these States have a chief hand in the pulling down of the columns of the building. But no, this mighty work was intrusted in the House to a college professor from West Virginia, to distinguished ex-Confederates from Georgia and Tennessee. From the House this bill, halting and lame on its new theoretical lines, strong only in the ruin it wrought, went to the Senate to be developed by other Southern statesmen—Jones of Arkansas, Mills of Texas, and Vest of Missouri—with Brice of New York and Ohio, and Gorman of Maryland assistants for the rescue of trusts and special interests. We all know that this bill, with 600 amendments, returned to the all know that this bill, with 600 amendments, returned to the House, where the esteemed college professor swallowed them all at one gulp and then fled to far-away Mexico to try to forget what his party had forced him to do, while the Chief Executive reluctantly let it become a law without his signature.

AFTER THIS THE DELUGE.

What has transpired since the passage of this monstrous bill is a part of the bitterest history of the country. That there should be hard times during or after a great civil war is a thing to be excused, to be expected. But to have ruin heretofore unknown and unparalleled in extent and duration come in a period of profound peace, to have our national credit at so low an ebb that the found peace, to have our national credit at so low an ebb that the Government was compelled to appeal to the money changers of Europe for rescue, to burden the energies and lives of another generation with the immense burden of a debt of \$260,000,000 in less than three years, where, under the wise policy of the preceding Administration, this debt had been reduced \$250,000,000 without being felt by the people; this mere recital would seem enough to damn such a party and such a policy to another period of thirty years outside the breastworks. But this does not begin the recital of the wrong done or the ruin caused by this suicidal policy of the Democratic party.

IN HANDS OF RECEIVERS.

Democratic party.

IN HANDS OF RECEIVERS.

Heretofore these United States, in peace and in war, through evil report and good report, had been for thirty years managed as a great and solvent corporation. Since March, 1893, it has been in the hands of an incompetent receiver. He has begged and borrowed money for current expenses when all that was needed was to take advantage of the plain resources of the country and make it self-supporting and helpful to all the people. With the Government in such a condition it is idle to expect any marked or permanent improvement in the general business of the country.

Under the last Republican Administration we had an ample Treasury supply, we decreased the debt almost as much as this one has increased it, and the magic breath of life and public credit was throughout all. With similar conditions the now serious problems of silver and sufficient money for the exchanges for the needs of the country will all solve themselves in natural and orderly sequence. It has been shown to be idle to expect such wise and patriotic action from the party now in power.

FREE TRADE THE TRUE CAUSE When one fatal and strong-rooted disease gets hold of a sick man the follows, as a matter of course, that symptoms of many other minor diseases come to the front. It is not, however, the policy of the wise physician to turn all his attention to these, but rather to reach the seat of the main difficulty and expect the removal of to reach the seat of the main difficulty and expect the removal of the main cause to bring about the amelioration or disappearance of the minor ones. Thus with a safe, protective tariff—one framed to secure a just degree of protection to the labor of the farm and the workshop, and the capital which nourishes and keeps these all in successful operation—we will once more be on the highway of national prosperity. With this we will have ample provisions for a wider market abroad for the rapidly growing surplus of our agricultural and manufactured products under the plus of our agricultural and manufactured products under the wise system of reciprocal treaties inaugurated by Harrison and Blaine and so contemptuously repealed by the "Wilson-Gorman" law.

To Prevent the Issuance of Interest-Bearing Bonds Without Further Authority of Congress.

SPEECH

HON. MARION BUTLER.

OF NORTH CAROLINA,

IN THE SENATE OF THE UNITED STATES,

Friday, May 29, 1896.

The Senate having under consideration the bill (S. 1341) to prohibit the further issuance of interest-bearing bonds without the consent of Congress— Mr. BUTLER said:

PRESIDENT: The opposition which this measure has met every time it has come before Congress in any shape this session has surprised me no little. This bill does not affect in the least the bonds that have already been issued. It does not refer to the coin to be used in the payment of the same bonds. It does not provide that no further bonds shall be issued. It simply provides that the President of the United States shall not issue further bonds without the consent and advice of Congress. Its language is plain, simple, and direct. It is in these words:

That the issuance of interest-bearing bonds of the United States for any urpose whatever without further authority of Congress is hereby prohib-

There may be some reason why the President of the United States should desire that this bill should not pass, but why any member of Congress, whether in favor of bonds or opposed to bonds, should of Congress, whether in favor of bonds or opposed to bonds, should oppose the bill is strange indeed—very strange, to say the least. It is true that the greed of the bondholder has not yet been satisfied, because the greater the public debt and the more it is refunded the more oppressive it is to the people and the greater the blessing of such a debt to the bondholder and gold combine. But why should even the bondholders oppose the bill? Do they feel satisfied that they can rely upon the President more safely than they can upon Congress to tax the people for their benefit?

I hold in my hand a letter which the bankers and the bondholders have just sent out to their agents and correspondents all over the United States, which shows clearly that they are determined to control the nomination and election of the next President of the United States from either the Democratic party or the

dent of the United States from either the Democratic party or the Republican party. They are not sufficiently frightened with the strength of the People's Party to send out orders to their agents strength of the People's Party to send out orders to their agents to control our convention; but they want one of their old and trusted servants; they want one of the parties that have been serving them for so many years to be fixed on this question, and they do not care which. Four years ago they were anxious to fix the Democratic party. Why? Because the Republican party had made itself odious. The Republican party had not only to bear the result of its mistakes but also the blame of the people for hard times and depression. the result of its mistakes but also the blame of the people for hard times and depression. Therefore the same gold combine sent out its instructions and raised its campaign fund and nominated Grover Cleveland for President and elected him in 1892.

The Democratic party went into that campaign promising the people that they would repeal the infamous laws put upon the statute books by the Republican party. The Democratic party

went into that campaign denouncing the infamous crime of 1873. They denounced the Senator from Ohio as the archenemy of civney denounced the senator from Ohio as the archenemy of civilization. They denounced the financial legislation that has been put upon our statute books under his guidance and by the Republican party. That party, though they had a candidate for President who seemed to be the willing tool of this gold combine, promised to correct the evils. They promised to wipe out the evils that the country was suffering from, placed upon them by bad Republican legislation.

In my State every Democratic candidate on the stump declared that the last Democratic platform meant free silver. Even Democratic elector declared that Mr. Cleveland was for silver. Democratic elector declared that Mr. Cleveland was for silver. I canvassed my State as one of the electors at large for the People's Party. The Democratic elector that I canvassed with on every stump promised the people of my State that if that platform did not mean free silver, and if Grover Cleveland did not stand for free silver, he would repudiate them after election. He promised the people on the stump that if the people would only give them "one chance," that was, a Democratic President, a Democratic House, and a Democratic Senate, and that if that Congress and that President did not wipe out the infamous financial laws put on the statute book by the Republican party and restore the money of the Constitution, as it was provided for in our Constitution and placed on the statute books by Jefferson and our forefathers, he and those who felt like him would leave the Democratic party and join the People's Party.

These were the promises in my State and over the whole South. Where are the performances? Every promise broken and the people basely betrayed to Sherman and the gold ring.

The Democratic party went into power the last time under false pretenses. Its victory was won by fraud. Broken promises and base treachery stand out to-day as the hideous and ghastly record of that party. That has not been forgotten by the voters of the country. That party came into power and broke every pledge that it made to the American people. That party stands to-day discrated and dishanored. It stands to day with shame written. canvassed my State as one of the electors at large for the People's

the country. That party came into power and broke every pledge that it made to the American people. That party stands to-day disgraced and dishonored. It stands to-day with shame written across its brow for its perfidy and its treachery to the American people. It not only did not keep its promises, but it adopted the policy of Mr. Sherman and the Republican gold combine, and commenced right away where he left off and carried on the infamous work. Instead of restoring silver they wiped out the only silver law on the statute book and placed us as near on the gold standard as they could, and with the help of Mr. Carlisle and Mr. Cleveland and their interpretations of the law, using their discretion against their own people and Government and in favor of Sherman's gold combine, we are to-day on the gold standard—on the gold standard not by law altogether, but by the abuse and disregard of law.

Therefore the Democratic party is odious. It is more odious, if anything, than the Republican party was four years ago. Hence the gold combine can not use the Democratic party this year as a

the gold combine can not use the Democratic party this year as a stalking horse to fool the people and to put a gold candidate in the White House under more false pretenses.

The purpose of this circular, the purpose of the men behind it this year in instructing their bankers, their agents, to use their influence on every creditor of the banks is to control the Republican party. The purpose is to nominate a gold man at the head of the Republican ticket. I guess they will put up a free-silver straddling bagatelle around his brow to fool the people with, because it is against their training and their interests to be bold and straightforward. Duplicity is their father and their godfather and the food they nurse on. This gold ring will nominate McKinley, but they are getting alarmed at the growth of the silver sentiment; they are getting alarmed at the awaking of the people and the independence manifested. Therefore it is now necessary to fool a number of free-silver Republicans and get them to vote for McKinley. To do this they are now having some of their gold organs in the East to declare that they are not satisfied with McKinley on the money question, and that if they do not become Kinley on the money question, and that if they do not become better satisfied that the gold men of the East can not support him. This is the Eastern end of the goldbug scheme. How is it worked This is the Eastern end of the goldbug scheme. How is it worked in the West, where a large majority are for silver? The so-called free-silver papers are publishing this very day the threats of the gold papers made yesterday in the East. They say that the fact that the East is not satisfied with McKinley is the best proof that McKinley is for silver and that the West should support him and ram him down the throats of the gold men.

This is the game and it is now at work. In the meantime the Senator from Ohio [Mr. Sherman], who is on the inside, smiles and looks knowingly. But this game will not work. The people are now too wide awake and too thoroughly aroused to be caught in such a trap as that. This will fool only those who want to be fooled. It will fool only those who are willing to take Senator Sherman for their free-silver leader.

The gold ring is now putting nearly all of its attention to the

The gold ring is now putting nearly all of its attention to the Republican party. They will not try to control the Democratic party because they have no use for it this year. They will allow

the free-silver men to control the convention. Why? Because they know that the most effective way to hurt silver, the most effective way to make the silver cause lose votes and to make it odious is to make the cause of silver and financial reform suffer for the crimes, misdeeds, treachery, and sins of omission and commission of the Democratic party. On this scheme the gold combine has deliberately made up its mind. It is a plot; they will lay upon the head of silver and financial reform all of the crimes and the odium and the bad odor that hangs around the Democratic party for its treachery. It is fine politics. There is no more effective way that the gold combine can damage the cause of financial reform than to have this party to attach its label to it.

The gold ring can not be beaten unless those who are opposed to Shermanism and Clevelandism unite in a common fight against to Shermanism and Clevelandism unite in a common fight against the common enemy. They can not unite in the Democratic party. No man wearing the Democratic label can be elected President this year. Therefore the only thing that can possibly make the election of a gold man for President certain is for the silver Democrats to put up their own candidate and go it alone. This will surely divide the silver forces. This must not be done. And here and now I appeal to the friends of silver in the Democratic party that if they love their country, if they are anxious to see the money of the Constitution restored, if they are anxious to see the Republican crimes, augmented by their own crimes, wiped from the statute books, if they are anxious to see prosperity return

from the statute books, if they are anxious to see prosperity return to the American people—I appeal to them in the name of all that is good and holy, in the name of our forefathers, in the name of the Constitution, in the name of the American people who toil and spin, in the name of our wives and children, to have the manhood and the patriotism to join hands this year with all other silver to the constitution of the const forces in America regardless of party name. For God's sake do not drag the name of your bad-odored party into this cause. Leave that name that has become a stench in the nostrils of the Leave that name that has become a stench in the nostrils of the American people. Have the manhood to shake it off and to step out on a common footing with all other independent voters who put country and financial reform above party. Throw aside the name and return to the principles of true democracy and true republicanism. Do that, and let us draw the issue squarely in this campaign between the gold combine and the people. This course would beat the gold combine and give the people relief. This is the only way it can be done. Then let us do it.

The greatest duty and responsibility to-day rests upon the silver Democrats. You may be able to defeat silver this year by hanging to your party and hanging your party label upon silver; but it will not defeat the cause of silver more than four years, for in 1900 your party will go out of existence for want of members.

but it will not defeat the cause of silver more than four years, for in 1900 your party will go out of existence for want of members. The people, regardless of party, will unite. Let us do it now. I met a prominent man yesterday who is a silver Democrat. I believe he is as good a silver man as I am; I believe he is as sincerely desirous to see silver restored as I am. Yet he said to me, "It is the duty of all you silver men in other parties to come into our party and help us to get silver in it." I can see how a man who is honest and brave and conscientious can feel that way. He has venerated the name of the Democratic party so long that it has become a part of his religion, and his prejudice has persuaded him against his better judgment that inside the party is the best way to get silver. But if that silver Democrat and every other silver Democrat will shake from their brains their party prejudices and their special pet love for names that no longer represent the principles of Jefferson and Jackson, they must agree with me in this statement of facts. What is it? The gold trust can not be defeated in this country unless you combine gold trust can not be defeated in this country unless you combine all the friends of silver together under one banner in the coming campaign.

I asked that silver Democrat if he would be willing to leave his party and go into the Republican party if they should declare for free silver, and he said no. He said, "I would not go into the Republican party if they put the Ten Commandments in the plat-

Now, I want to say to you, silver Democrats of the South, if that is your feeling how can you expect the Western Republican, who also stands for silver, to be more patriotic than you are? If you are not willing to put silver and financial reform and country above party, then do you admit that the men you have invited to come with you are better and more patriotic than you are? That is the only logical conclusion. Every silver Republican of the West loves the name of his party as well as you love the name of yours. The Southern Democrats can never be moved on masse of yours. The Southern Democrats can never be moved en masse into the Republican party as such. The Western Republican who puts silver above party will not go into the Democratic party as

The People's Party came from both of these parties. Every man in the People's Party was a few years ago either a Democrat or a Republican. Why did they leave those parties? Because they were Republican. Why did they leave those parties? Because they were true Republicans and true Democrats; because they reached the time, before others did, when they were willing to put country above

party. Every man who left the Democratic party and joined the People's Party did it why? Because he believed in the principles of Thomas Jefferson and Andrew Jackson. He saw and believed that the party he loved, the party that he was born in, the party that his father belonged to, and his grandfather before him, had deserted the principles of the Democracy. He saw and knew that that party was controlled by the money power, which had also been controlling the Republican party.

Every man who left the Republican party and joined the People's Party did it for the same reason—that is, because his party had deserted the principles of Abraham Lincoln and sold out to the gold ring. Can these men be expected to ever go back into these old parties and follow the leadership of the men who fooled and betrayed them? No. Therefore the time has come when all patriots must meet on common ground outside of the two old parties and allow the gold bugs and party bugs of the two old parties to get together in one party, and call it the Demo-Republican party.

parties to get together in one party, and call it the Demo-Republican party.

But let us return for a moment to that silver Democrat to whom I referred. He said to me that I could not charge all these hard times and evils, from which the people suffer, to the Democratic party. In answer to that I say this: That while the Republican party has been guilty of placing nearly all of this bad legislation upon the statute books, yet the Democratic party in every campaign since the war has nominated for its candidate for President a gold man. I challenge any Democrat here to contradict it. paign since the war has nominated for its candidate for President a gold man. I challenge any Democrat here to contradict it. I will wait for a reply. [A pause.] Therefore, if you had won every election, been in power constantly since the war, you would have done just what the Republicans have done. You nominated every time the same kind of men for your standard bearers. Your conventions have been controlled for twenty years by the Your conventions have been controlled for twenty years by the same influence that has controlled the Republican conventions and nominated the Republican candidates. They happened to get in every time up to 1884. Therefore nearly all the mischief was done under the name of the Republican party. But no matter which party won, the gold ring has had its agent in the White House. Therefore for twenty years the machinery of these parties has been controlled by the same influence that now has determined to use the Republican party as the agent of the gold combine in the next campaign.

I ask permission to print in my remarks at this point the same secret bank circular which I presented and made public for the first time a few days ago. The circular will be found in full on page 6113 of the Congressional Record for May 22. The following is

THE AMERICAN BANKERS' ASSOCIATION,

2 WALL STREET AND 90-94 BROADWAY,

New York, first vice-president National Bank of the Republic,

New York; first vice-president, Robert J. Lowry, Lowry Banking Company, Atlanta, Ga.; chairman executive council, Joseph C. Hendrix, president National Union Bank, New York; treasurer, William H. Porter, vice-president Chase National Bank, New York; secretary, James R. Branch,

2 Wall street, New York.]

To the bankers of the United States.

To the bankers of the United States:

At a meeting of the executive council of the American Bankers' Associa-tion, held in this city on March 11, 1893, the following declaration was made by unanimous vote:

THE EXISTING STANDARD OF VALUE.

THE EXISTING STANDARD OF VALUE.

"THE EXECUTIVE COUNCIL OF THE AMERICAN BANKERS' ASSOCIATION DECLARE UNEQUIVOCALLY IN FAVOR OF THE MAINTENANCE OF THE EXISTING GOLD STANDARD OF VALUE AND RECOMMEND TO ALL BANKERS AND THE CUSTOMERS OF ALL BANKS THE EXERCISE OF ALL OF THEIR INFLUENCE AS CITIZENS IN THEIR VARIOUS STATES TO SELECT DELEGATES TO THE FOLITICAL CONVENTIONS OF BOTH THE GREAT PARTIES WHO WILL DECLARE UNEQUIVOCALLY IN FAVOR OF THE MAINTENANCE OF THE EXISTING GOLD STANDARD OF VALUE."

Your influence is earnestly requested to give practical effect to this action.

The association seeks to unite all banks and bankers in one efficient national organization, and it solicits all national and State banks, savings banks, and banking firms to become members.

EUGENE H. PULLEN, President, JAMES R. BRANCH, Secretary, JOSEPH C. HENDRIX, Chairman Ezecutive Council.

Chairman Executive Council.

As I said the other day when presenting this circular in reply to the Senator from Ohio [Mr. Sheeman], that circular instructs these banks, which are creatures of and are protected by the Government, to try to corrupt politics and rob the American people. It instructs these banks, which are in charge of the circulating medium of the country to a large extent, to use their power, influence, and money to corrupt conventions and to control them in the interest of the bondholders. These banks that are given the great and dangerous power of contracting or expanding the circulating medium of the country at will; these banks which were rechartered in 1882 with the help of the Democratic party; these banks which Thomas Jefferson opposed; these banks which Andrew Jackson, God bless his memory, fought and triumphed over as long as he was President; these banks which the Democratic

party in its platform before the war, before it was corrupted by the gold power, declared should never be chartered and that they were more dangerous to the liberty and prosperity of the American people than standing armies; these same banks, now enjoying the pro-tection of the Government, enjoying the special privileges granted to them as a semi-function of Government, are to-day boldly using their power, their money gotten from their Government protection and special privilege—using this tremendous power to contract and expand the currency, to control legislation, to control nominations in this country, and to put an agent of the English gold trust in the White House.

Whether or not similar offertages have the control and the currency of the control and trust in the white House.

Whether or not similar efforts are being made to control the election of the members of Congress, which would be much more election of the members of Congress, which would be much more expensive, is not yet known; but one thing is clear, and that is that the banks and bondholders are determined to control the Republican nominee for the Presidency at all hazards since they think the Democratic party has no chance of winning.

The man the Republican party nominates for President can be relied upon to serve the bondholding and bank interest this year and for the part four years if unfortunately he should be also that

relied upon to serve the bondholding and bank interest this year and for the next four years, if unfortunately he should be elected, just as faithfully and as servilely as Grover Cleveland has done. The bill now under consideration, if enacted into law, simply restores the power to borrow money and to fasten a mortgage on the country to Congress, the legislative branch of the Government, where such tremendous, dangerous, and far-reaching power to the powerfully belongs, but where the Constitution of the Government. not only naturally belongs, but where the Constitution expressly

I stand here now and lay this down as an incontrovertible proposition, that Congress has no power under the Constitution to delegate this power to the Chief Executive or to anybody else. I believe that any fair, honest court in America would decide that the law of 1875, if it does give to the President the power to issue bonds without limit, is unconstitutional. I believe the only power that Congress has in this direction is to authorize the issue of bonds for a specific purpose and for an amount not only limited, but a fixed amount to be executed by the President in his executive capacity. I do not think that any man who has any regard for his reputation as a fair, honest constitutional lawyer will con-

This bill is a plain and just proposition, and that is why there is so much opposition to it. The great and violent opposition from certain quarters to so fair and just a proposition has caused me to investigate the question more fully than I otherwise would have done. Yee, I have been impelled to investigate this bond question from the bettern upon a country of the fact that this simple little. done. Yes, I have been impelled to investigate this bond question from the bottom up, on account of the fact that this simple little bill has raised such a tremendous opposition from the agents of the gold trust; the fact that this little bill has been denounced more viciously than ever a free-coinage bill was denounced; the fact that this bill has raised all of the ire of the cold, placid Senator from Ohio [Mr. SHERMAN], and made him join loving arms with the Senator from New York [Mr. HILL]. That is a beautiful picture! A picture, however, that no true Democrat could look upon with pleasure, neither any true Republican with pleasure, to see the Senator from New York, the Tammany tiger (the man who parades and masquerades under the banner, "I ama Democrat," which is the beginning and the end of his vocabulary), and the placid and icy Senator from Ohio, the godfather and sponsor and wet nurse of the Republican party, run together as quick as lightning at the sound of danger to the British Rothschilds, and locked arm in arm, join together in the common defense, join together in making a common attack on the prosperity fense, join together in making a common attack on the prosperity and welfare of their own country. It shows that they are close kin and are serving the same interest. It shows that there is in this country a party called the gold party, and it shows that the Senator from New York and the Senator from Ohio both belong to that party and consider themselves its special defenders.

senator from New York and the Senator from Omo both belong to that party and consider themselves its special defenders. The gold men have formed a party. They stand together on all occasions. They run together at a moment's notice. May Heaven have mercy on the people and teach them to have the same wisdom of union and self-defense to run together against these common enemies of humanity and good government.

I said, Mr. President, that this peculiar conduct of the gold men on the Democratic side and the gold men on the Republican side, running together to denounce this bill, has caused me to look into the question of bond issues from the beginning up to now more thoroughly than I ever would have done. What do we find? Up to the late war the debt of this Government was a mere bagatelle. At the close of the War, or rather in October, 1865, the interest-bearing debt of the Government in the form of bonds was \$1,144,832,100. The interest-bearing obligation in the shape of currency and used as currency was \$1,208,855,378. This interest-bearing currency, together with other forms of currency, gave at that time a per capita circulation of about \$52; and in spite of loss of life and property from a four-years bloody and disastrous war, the people were 100 per cent more prosperous then than they are to-day.

Think of it Mr. President. At the close of the most termible.

Think of it, Mr. President. At the close of the most terrible

war the world has ever seen, at the close of the war where there was the greatest sacrifice of life and property, at the close of the war where it seemed that our fertile fields and happy homes of the South had been divested almost beyond hope of recovery— at the close of that terrible war the people were 100 per cent more prosperous than they are now after twenty years of peace, twenty years of unexampled prosperity in the fields and the workshop and in the mines—the greatest amount of production per capita, and yet the least amount of money per capita. At that time, right after the war, the general prosperity was so pronounced that Secretary McCulloch, in his report for 1865, made the following remarkable statement:

The people are now comparatively free from debt. • • Expansion has now reached such a point as to be absolutely oppressive to a large portion of our people, while at the same time it is diminishing labor and is becoming subversive of good morals. The remedy, and the only remedy, within the control of Congress, in the opinion of the Secretary, is to be found in the reduction of currency.

Look at that situation: The people out of debt, with plenty of money, with every business industry prospering, with good prices for products. And yet the Secretary of the Treasury is fearful that this condition would corrupt the people's morals; and to obvithat this condition would corrupt the people's morals; and to obvi-ate this sad and threatening disaster (?) he recommends the destruc-tion or contraction of the people's money; the money which made them prosperous then would make them prosperous; the money which put them out of debt then would get them out of debt; the money which made good times then would make good times now. He said it was dangerous, and he said we must contract it now. He said it was dangerous, and he said we must contract it and reduce its quantity; though population was increasing each day, though business was increasing each day, yet we must contract the money, when every man knows, when every cornfield hand in North Carolina knows, and I believe the people over the rest of the country know, that as population increases, as business increases, the amount of money in circulation should increase in the same proportion. That is a fixed law, and it is one that can not be deviated from without disaster; and yet here was the Secretary of the Treasury, who deliberately recommended that that disaster be brought upon us. At that time Mr. Carlisle, the presdisaster be brought upon us. At that time Mr. Carlisle, the present Secretary of the Treasury, and Mr. Sherman both agreed that the contraction policy of Secretary McCulloch was wrong. the bad and ruinous policy commenced then has been continued ever since. Since that time Mr. Sherman and Mr. Carlisle have both been Secretary of the Treasury, yet both have followed the disastrous policy of contraction, till the people are almost poverty stricken and the nation almost bankrupted.

On April 12, 1866, in response to the urgent demand of the Sec retary of the Treasury, Congress passed the first contraction act, by which all of the interest-bearing obligations which were used as currency were to be called in and funded into interest-bearing

Through this operation the bonded debt of the country was inreased to over \$2,000,000,000 in 1868, and the currency among the people was contracted, according to several high authorities, to the extent of over \$900,000,000, to be exact, \$968,502,963. Mark it, this bonded debt was created after the war was over and peace was established. This currency which had enabled the Government to carry on the war; this currency which had been used to pay the soldiers on the battlefield; this currency which had enabled the Government to maintain the Union as it exists to-day, was, after peace had been restored, turned into a bonded debt at the instance and by the influence of the bondholders and the gold

strike down the currency, turn it into interest-bearing bonds—bonds that could not circulate as money, but bonds which would go to work day and night to draw what money was left from the pockets of the people and tie it up in the hands of the few. It was a double crime. To burn half the money and put nothing in its place was bad enough, but to burn half our money and put in its place a rapacious interest-bearing bond—an eating sore—an interest-bearing debt that would act as a force pump, or rather as a suction valve, to constantly draw what money was left from a suction valve, to constantly draw what money was left from industry, from business, from the avenues of trade, and pile it up in the coffers of those who neither toil nor spin, those who produce nothing, those who do nothing to make this country rich, those who do nothing to defend the honor and integrity of the country, those who did not bear muskets in time of war, was one of the most cold-blooded and infamous acts that has ever stained the statute books of this or any other country. It was done, too, for the benefit of those who refused to loan the money necessary for the benefit of those who refused to loan the money necessary for carrying on the war except at ruinous rates of interest, those who were so unpatriotic that when Abraham Lincoln called upon them to furnish money to save the Union, they, with their cold-blooded, devilish greediness, proposed terms of usurious interest so exorbitant that that great patriot would not tolerate it, and then it was that he called upon Congress to exercise the supreme legislative power to issue Treasury notes, to issue greenbacks to enable him to carry on the war and to defe the bondholds to enable him to carry on the war, and to defy the bondholder and the gold sharks.

They are the fellows to-day that the Senator from Ohio and the Senator from New York talk about as the sacred fellows whose Senator from New York talk about as the sacred fellows whose rights must be preserved, and they say the integrity of the nation must be preserved.—God save the mark—to make them rich; that contemptible lot of traitors, for they betrayed their country in the hour of peril, and tried to put a halter of usury around its neck to curse future generations; they cared not what might be the result of that war so that in the future they and their child be resulted to preserve the same of th the result of that war so that in the ruture they and their chil-dren should be pensioned with a pension that grew, not a pension of \$50 a month that would be the same all the time, but a pension that grew with usurious interest each year bigger and bigger, a pension to be paid by those who would dig the wealth out of the ground in the future. Mr. HAWLEY. I

Mr. HAWLEY. I only caught a sentence of the Senator's speech, but I would ask him who are the bad men to whom he

Mr. BUTLER. I will take great pleasure in informing the Senator. I am sorry that they are at large, and if we could by law make a properly constituted sheriff out of the Senator from Connecticut he would have plenty of duty to perform.

Mr. HAWLEY. I should very likely have to arrest somebody other than those to whom the Senator refers.

Mr. BUTLER. I let that quibble pass; but in answer to the question of the Senator from Connecticut, who asks me who the bad men were to whom I was referring, I will say that at the time I was referring to that class of capitalists who refused to furnish money to saye this Union when Abraham Lincoln, the President I was referring to that class of capitalists who refused to furnish money to save this Union when Abraham Lincoln, the President of the United States, called upon them to lend their money to the Government at a reasonable rate of interest and under fair and honest conditions; the class of men who hoarded their gold and demanded such hard terms of that great patriot that before he would submit to their terms and pile up for future generations an universe and hurdensome debt he expected to Congress to exercise unjust and burdensome debt he appealed to Congress to exercise its highest legislative power under the Constitution, to issue greenbacks, so that the war could be carried on without having the Government subject to the infamous demand of this gang of gold contractionists, or rather, I should say, greedy gold hoarders, who tried then and have since succeeded in fastening themselves like leeches upon the purse strings of the nation.

In continuation of my answer to the very pertinent question asked by the Senator from Connecticut, I have just described to him the particular kind of men which I was referring to when he asked me the question, but there are some others that I desire to refer to in this connection. But first I should like to ask the Senator from Connecticut if he approves the action of those bad men, or if he, too, does not think with me that they are bad men?

Mr. HAWLEY. You mean the men who would not lend money
to the Government?

Mr. BUTLER. The men who would not lend money to the Government on fair and reasonable terms, such as President Lin-

Government on fair and reasonable terms, such as President Lincoln was willing to accept.

Mr. HAWLEY. The Government issued its bonds to the world and was glad to have anybody buy them, and anybody could buy them who had the money to purchase them and pay the premium. Everybody had the privilege of taking the bonds.

Mr. BUTLER. I should like to ask the Senator what made Mr. Lincoln issue the greenbacks, or call upon Congress to do it?

Mr. HAWLEY. He did not do it.

Mr. BUTLER. He called upon Congress to do it.

Mr. HAWLEY. If any one man did it, it was Mr. Spaulding, of Enffalo. N. Y.

of Buffalo, N Mr. BUTLER. Does the Senator deny that Lincoln called upon

Mr. BUTLER. Does the Senator deny that Lincoin called upon Congress to issue legal-tender greenbacks, and that Congress did do it to escape the clutches of the gold sharks?

Mr. HAWLEY. I am sure I do not know what Mr. Lincoin said about the greenbacks. He had never been associated prominently with that movement. It originated in Congress. The greenbacks were simply the demand notes given by the Govern

ment—its promise to pay.

Mr. BUTLER. Does not the Senator know that President

Lincoln, in a message sent to Congress, called upon Congress to come to the relief of the Government by issuing greenbacks?

Mr. HAWLEY. That is quite possible. The greenbacks, as well as the bonds, were simply the promise of the Government to pay, and every dollar of money agreed upon ought to be paid.

Mr. BUTLER. Does not the Senator know that the reason we

did not raise the money by bonds, the reason we stopped raising it in that way at that time, and the reason why Mr. Lincoln called upon Congress to issue greenbacks, was because these "bad men" had a corner on gold, and refused to pay a decent price for the

bonds, and demanded tremendous discounts or rates of interest?

Mr. HAWLEY. The money market is never controlled by any one, or two, or half dozen men. Our bonds were sold in every part of the world—in Germany, in England, and elsewhere—and they were largely in this country bought by patriotic people who do not gamble in such things, people who said if this Government wanted money upon its bonds they would take them, and if the

Government survived the bonds would be valuable, and if it should be broken up they did not care whether or not they had

any money.

Mr. BUTLER. Does not the Senator know that President Lincoln said, "By the Eternal, we will save this country in spite of these shylocks," and that then the greenbacks were issued by authority of Congress, that this broke the corner of the gold ring, and that then the bonds were sold at a better price? But I understand the Senator from Connecticut to refer to these shylocks as

Mr. HAWLEY. If the Senator will let me off I will never ask him another question; there are so many things he knows that I never heard of.

Mr. BUTLER. Then the Senator from Connecticut, barring his attempted irony, ought to be patriotic enough to state the facts as they are or show that what I state is not true; and if he could, there is no man in the Senate who would take greater pleasure in doing it. We can not find a gold man on this floor who will meet us in honest, fair argument on this question. They are driven from every position they take; they have to resort to subterfuge, and have to fall back on such catch phrases as "sound money" and "save the credit of the country" and "keep good faith" with these bondholders, and all such pretenses. Were it not for the word "parity" I think for the rest of their days they would be in misery to a superlative degree.

Mr. HAWLEY. I am perfectly willing to admit that gold men do not wish to meet the Senator.

Mr. BUTLER. That is very evident, because they have found so far in this discussion that they were getting the worst of it; that their side was showing up in a bad light; that they could not answer the arguments; and now they are the most anxious persons on this floor to take a vote and stop the discussion.

Now, Mr. President, since I have referred to the catalogue of

bad men, I will call the Senator's attention to another class of bad men, or some of the same class which I just called bad men, who bought Government bonds as low as 47 cents on the dollar and paid for them in greenbacks. They bought bonds when they were below par. As soon as the war closed, and those bonds went to par and were worth 100 cents on the dollar, at once their values were doubled, and the bond holder had made 100 per cent clear outside of his interest. Were these bad men, whom the Senator from Connecticut would defend if he could, satisfied? No. What did they do? Just as soon as the war closed and they saw that they had made 100 per cent profit their greed increased. What was their next move? Their next move was to surround Congress and this Senate Hall with a hired lobby, paid by these usurers to come here and get this Congress to do what? Here is what they did. They came here and get this Congress to pass a law providing that certain bonds should be paid in coin, instead of lawful money, as the bonds read on their face. This act was passed on March 18, 1869, and is known as the act "to strengthen the public credit."

They came here and lobbied this Congress to change the contract in their favor, and I suppose if the Senator from Connecticut had been here he would have voted for it. Congress voted to change the contract and to make those bonds payable in coin instead of lawful money. Those bondholders would not furnish Lincoln the money to save the Union; they forced him to issue greenbacks; they took the greenbacks and bought bonds at 47 cents on the dollar. Then, when the bonds were worth 100 cents, they were not satisfied to take the same greenbacks, though they got in payment \$3 in greenbacks for every dollar in greenbacks which they paid for bonds. They were not satisfied to take the greenbacks which saved the Union, which Lincoln called into existence; but they came here and got this Congress to pass this act of 1869 and change the contract and agree to pay them in coin. Those are some of the bad men to whom I refer.

And in this connection I might say that these are the same bad men who got Congress to put the exception clause on the back of every greenback, after the first issue, so that they would not be a full legal tender.

And it was this money based upon the faith and credit of the They came here and lobbied this Congress to change the con-

And it was this money based upon the faith and credit of the And it was this money based upon the faith and credit of the Government that sustained the Government in its most trying hour, while gold had slunk away in its hiding place, as it always does in war or times of need and danger. In war, gold is a coward. It goes in hiding, and often retreats beyond the seas at the firing of the first gun. Even before the first gun was fired at Fort Sumter every bank in New York suspended specie payment, refused to furnish the funds for carrying on the war except at ruinous rates, and left both the people and the nation to their fate. It was not gold or silver, but it was the greenbacks that whipped the South and sustained the Union.

Twelve years after the war. Hon. William B. Kelley, of Penn-

Twelve years after the war, Hon. William B. Kelley, of Pennsylvania, addressing an assembly of ex-Confederate officers at Ma-

con, Ga., said:

Your leaders were mistaken in their financial theory. They believed that the United States could use nothing but gold and silver as money, and that

as they had none of these metals they could not put armies in the field to overwhelm you, or fleets upon the cean to blockade your coasts. They had not studied the Constitution to see that the Government has control of the question of what shall be money. We discovered that it had, and when we could not get gold or silver, we made the greenback, and it was that that

Said one of the officers with enthusiasm-

Judge Kelley, you are right; it was the greenback that whipped us.

And, Mr. President, it was this money that the bondholders and bankers urged to be destroyed and turned into an eating, cankerous bonded debt as soon as the war was over. Strange, indeed, that the faith and credit of the Government should be good enough to back a currency during the trying period of war, when the existence of the Government was in doubt, but that as soon as peace was restored, when the Government stood on a firm and unquestioned solvent basis, that the faith and credit of the Government should not be good unless backed by the gold of Shylock. How any fair-minded, honest man can advance such a preposterous claim

is beyond my comprehension.

At that time, as now, the great metropolitan press manufactured public opinion, and the cry was started that the national credit nust be sustained at all hazards, and to do this that it was necessary for the Government to change its contract and pay these bonds in coin. Upon this question there was considerable discussion throughout the country, and even in the Halls of Congress. The credit of the Government was good during the war, though it had no gold or silver. But when peace was restored Shylock said that the credit of the Government was not good unless he went Uncle Sam's security. The bondholder that fattened upon the misfortunes of the Government, while other men were giving their lives, their property, and their all as a free offering, now steps in and claims the right to be a special pet and bounty re-

In order that we may see what certain public men thought of the proposition at that time I will quote from the language of the

present senior Senator from Ohio.

In a speech delivered in the Senate February 27, 1867, Mr. Sher-MAN said:

Equity and justice are amply satisfied if we redeem these bonds at the end of five years in the same kind of money, of the same intrinsic value it bore at the time they were issued. Gentlemen may reason about this matter over and over again, and they can not come to any other conclusion; at least that has been my conclusion after the most careful consideration. Senators are sometimes in the habit, in order to defeat the argument of an antagonist, of saying that this is repudiation. Why, sir, every citizen of the United States has conformed his business to the legal-tender clause. He has collected and paid his debts accordingly.

In 1868 he wrote to a friend as follows:

In 1868 he wrote to a friend as follows:

DEAR SIR: I was pleased to receive your letter. My personal interests are the same as yours, but, like you, I do not intend to be influenced by them. My construction of the law is the result of careful examination, and I feel quite sure an impartial court would confirm it, if the case could be tried before a court. I send you my view as fully stated in a speech. Your idea is that we propose to repudiate or violate a promise when we offer to redeem the "principal" in legal tenders. I think the bondholder violates his promise when he refuses to take the same kind of money he paid for the bonds. If the case is to be tested by the law, I am right; if it is to be tested by Jay Cook's advertisements, I am wrong. I hate repudiation or anything like it, but we ought not to be deterred from doing what is right by fear of undeserved epithets. If, under the law as it stands, the holders of the five-twenties can only be paid in gold, then we are repudiators if we propose to pay otherwise. If the bondholder can legally demand only the kind of money he paid, then he is a repudiator and extortioner to demand money more valuable than he gave.

Truly, yours,

JOHN SHERMAN.

I quote further on this subject from Senator Wade, of Ohio:

I quote further on this subject from Senator Wade, of Ohio:

VICE-PRESIDENT'S CHAMBER, Washington, December 13, 1987.

Yours of the 8th instant is received, and I must cordially agree with every word and sentence of it. I am for the laboring portion of our people. The rich can take care of themselves. While I must scrupulously live up to all the contracts of the Government, and fight repudiation to the death, I will fight the bondholder as resolutely when he undertakes to get more than the pound of flesh. We never agreed to pay the five-twenties in gold; no man can find it in the bond, and I never will consent to have one payment for the people. It would sink any party, and it ought to. To talk of specie payments or a return to specie under present circumstances is to talk like a fool. It would destroy the country as effectually as a fire. And any contraction of the currency at this time is about as bad. But I have not time to give my ideas in full.

Yours, truly,

BENJAMIN F. WADE. VICE-PRESIDENT'S CHAMBER, Washington, December 18, 1987.

Hon. Thad. Stevens declared in the House of Representatives

If I knew that any party in this country would go for paying in coin that which is payable in lawful money, thus enhancing it one-half; if I knew there was such a platform and such a determination this day on the part of any party, I would vote for the other side, Frank Blair and all. I would vote for no such swindle upon the taxpayers of this country. I would vote for no such speculation in favor of the large bondholders, the millionaires who took advantage of our folly in granting them coin payments of interest.

Senator Morton, of Indiana, declared:

We should do foul injustice to the Government and to the people of the United States after we sold those bonds on an average for not more than 60 cents on the dollar now to propose to make a new contract for the benefit of the bondholders.

During the brief discussion on the public credit strengthening act Senator Bayard, of Delaware, said:

Suppose, instead of issuing paper money, it had pleased Congress to order an absenment of our national coinage. Suppose 25 per cent more of alloy or worthless metal had been interjected into our currency, and with that base coinage men had come forward to buy our bonds. What would be thought of the man who, when the day of payment of those bonds arrived, should say, "I gave you lead or lead in certain proportions, but for all the worthless metal I handed you you must give me back pure gold"? Whether he was more maddened or more dishonest would be the only question arising in men's minds.

Notwithstanding such declarations as given above, and in spite of a well-defined opposition, the bond owners corrupted public opinion and debauched Congress to such an extent that, as I have before said, on March 18, 1869, under the whip and spur of the previous question, what is known as the public credit strengthening act was passed, which in substance declared all the obligations of the United States payable in coin. For the purpose of information I will quote this act in full:

information I will quote this act in full:

That in order to remove any doubt as to the purpose of the Government to discharge all just obligations to the public creditors, and to settle all conflicting questions and interpretations of the laws by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment in coin or its equivalent of all the obligations of the United States notes, and of all the interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold and silver. But none of said interest bearing obligations not aiready due shall be redeemed or paid before maturity unless at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at par in coin. And the United States also solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin.

As Senator Davis declared at the time, this act added nine hun-

As Senator Davis declared at the time, this act added nine hundred millions to the public debt of the nation by making it payable in coin instead of lawful money. This act changed the contract between the people and the bond owners without the consent of the people and plundered them of the enormous amount of \$900,000,000, which went directly into the pockets of the bond owners. While Lincoln was President, when called upon to contemplate a proposition similar to this deed, he said: "If a government contracts a debt with a certain amount of money in circulation and

tracts a debt with a certain amount of money in circulation, and then contracts the money volume before the debt is paid, it is the most heinous crime which a government could commit against its people." Such a heinous crime was committed against the people and for the benefit of the bondholders in 1869. And, strange to and for the benefit of the bondholders in 1869. And, strange to say, there are men to-day who defend this national fraud and try to glorify it under the name of national credit and national honor What would Lincoln or Jefferson say of such men? They would denounce them as public enemies.

Great as this crime was, yet this was but the beginning of that plundering financial legislation which has followed in all our financial changes.

These same bad men were not satisfied. Greed is never satisfied. A considerable number of bonds would, by their terms, mature in 1870. So in order to make this piece of public robbery secure and of the greatest value it was necessary that these bonds should be refunded in new long-time coin bonds. Therefore the bondholders followed Congress with another lobby in 1870 and had the refunding act of July 14, 1870, passed, which they said would still further strengthen the public credit. What was that law? This act refunded the entire amount of interest-bearing indebtedness into ten fifteen and thirty year coin bonds bearing

law? This act refunded the entire amount of interest-bearing indebtedness into ten, fifteen, and thirty year coin bonds, bearing respectively 5, 4½, and 4 per cent interest.

The bondholder was so anxious that every one of his bonds should be paid in coin—he was so afraid that in the future Congress might authorize the bonds to be paid in any kind of lawful money—that he came to this Congress with a lobby and had this Congress pass a law providing that every one of those bonds should be refunded in coin bonds; and as to the new bonds that there should be written across the face of each one that this bond shall be paid in what? "Shall be paid in coin of the present standard value of July 14, 1870." They were so delighted with their success in getting Congress to change the contract and double the value of their bonds at the expense of the taxpayers; they were so delighted that this Congress (which is supposed to represent and guard the interests of the American people) could be so easily conguard the interests of the American people) could be so easily controlled by them for their own selfish and greedy ends that they said to themselves, "Why not make more money?" Luese same bad men, these same men who would not help to say the Union, but men, these same men who would not help to say the Union, but hired substitutes or ran away to Europe to keep from hiring substitutes, were not satisfied. The next step—and here comes the kernel of this whole business—was to see how to make the coin dearer in which their bonds were to be paid. They got it put in the face of the contract that the bonds should be paid in coin.

Then they commenced the next grand step in their desiriles and

Then they commenced the next grand step in their devilish and hellish conspiracy, which no honest man, in my opinion, can indorse or defend. What was it? It was to have the contract changed again and have their coin bonds changed into gold bonds. They had it on the face of the bonds that they should be paid in coin. In their opinion it would not do to change the contract on the face of the bonds again so soon. They feared to arouse the attention and wrath of an outraged though still sleeping and unconscious people. They thought it safer to find some indirect method of accomplishing the same result. Now, they took counsel in Wall street and in London and said to themselves, "If we can strike down one of these coins, then there will be left but one kind of coin in which to pay us, and the one left as money will be doubled in value and we will make another hundred per cent; we doubled in value and we will make another hundred per cent; we will get Congress to again tax the people double the debt they owe us." They had doubled it once after the war; it was doubled when the bonds went to par; they doubled it again when they had them made payable in coin, and now they proceeded to double it the third time, when their infamous conspiracy of 1873 and 1874 striking down silver was consummated.

1874 striking down silver was consummated. In the meantime there had been many conversions among those who had differed with these bond owners heretofore, notably that of the Senator from Ohio [Mr. Sherman]. Instead of standing by his position in 1867 and 1868, as I have quoted, he had changed his moorings some time about 1870 and become the leading advocate on the other side, and this makes it necessary to look into the real purposes for demonetizing silver. During all of this discussion regarding the restoration of silver to its constitutional position the reason to my mind why silver was destroyed in the first place has not been clearly established so that the average citizen might understand it.

While it is true that the destruction of silver as money reduced.

While it is true that the destruction of silver as money reduced the volume of currency, and thereby reduced the remuneration of the laborer and the value of all property, and assisted in bringing about great financial distress and disaster, yet in my opinion these were but the effects and not the reason for destroying that portion of our metal money. It is as plain as the noonday sun that silver as money was destroyed in order that the bonded indebtedness of this nation might be paid in gold alone and at the same time to double the purchasing power of the gold in which the bonds were to be paid. This was the prime cause for such action, and the disasters which have followed are simply its sequence. These bonds were payable in coin. Coin meant at that time both gold and silver, and the destruction of silver as money meant the payment of these bonds in gold and doubling the price of gold. Here is the incentive for such action, and the only one that can be reasonably and safely put forth. I desire to call the attention of this Chamber and the people of this nation to this fact: That silver was destroyed absolutely in the interest of the bondholders; and that, to the payment of these bonds in gold, which less than ten years before had While it is true that the destruction of silver as money reduced ment of these bonds in gold, which less than ten years before had been bought with greenbacks at an average of 67 cents on the dollar, all the disasters and wretchedness which have come upon

our nation for the past twenty-three years are directly chargeable. I have said before on this floor, and I repeat it, and I defy contradiction, that the men who demonetized silver, the men who tranction, that the men who demonetized silver, the men who lobbied this Congress—who corrupted it, I was about to say (for what else can you call it?), and I will stick to it, because it could not have been done without corruption somewhere—the men who did it were the bondholders, the same bad men who would not furnish Abraham Lincoln with the money to save the Union. It was the bondholder who demonetized silver. The bondholder and was the bondholder who demonetized silver. The bondholder did it to double the value of his bonds; but as to every Senator and Congressman who voted for it knowingly—I say "knowingly," because there were lots of men who voted for it without knowing that that provision was in the bill—I say he committed a crime and a fraud, and not only a crime and a fraud, but a crime and a fraud purchased by perjury. Therefore, every man who voted for that measure knowingly is a man who deliberately stole from the pockets of the American people of this generation and the next, and turned money into the pockets of the shylocks—the bad men who would not furnish Lingula with money on reasonable terms to would not furnish Lincoln with money on reasonable terms to

save the Union.

How was that conspiracy worked? In 1873 a bill was passed to stop the coinage of the American silver dollar. Their crime was then only partially accomplished. They did not dare, it seems, to commit so great a tragedy in one act. There had already been appointed a commission to revise the statutes of the United States. I want to state exactly how this was done in 1873 and 1874. As I said before, the act of 1878 did not demonetize silver. As has often been said, it simply stopped the coinage of the silver dollar and refused to admit silver in the future to the mints; but it left what silver dollars had been coined a full legal tender. Nearly every man on this floor speaks of silver as having been demone-tized in 1873. The coinage was stopped in 1873, but what silver had been coined was left a full legal tender. It was the act of 1874, or rather the action of the revisers of the statutes of the United States, who did their work in secret, who inserted the clause in the Revised Statutes without authority of law, and in violation of their oaths of office, which did the fatal work. The clause is as follows:

SEC. 3586. The silver coin Mark the language-

The silver coins of the United States shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

The words "the silver coins," etc., include all silver coin. Therefore that clause stuck into the Revised Statutes did what?

Therefore that clause stuck into the Revised Statutes did what? Demonetized the silver dollar that was left unscathed by the act of 1873 and made it only subsidiary coin and a legal tender for the amount of only \$5 in any one payment.

This section, as I have said, was put in the Revised Statutes against authority of law. What right has it to be there to-day? The law providing for the revision of the statutes did not give to the revisors any authority to change the law or to add so not give to the revisers any authority to change the law or to add any new sections to the law. The authority of the revisers was simply to codify the law. The first section of the act authorizing the revision of laws permitted and directed the revisers to do what? Here are the exact words:

Revise, simplify, arrange, and consolidate all statutes of the United States, eneral and permanent in their nature, which shall be in force at the time ach commissioners shall make their final report of their doings.

That is all the authority they had-simply to codify what laws were in existence at the time they did their work. I defy any man living to show any place on the statute books where such a law ever existed as they stuck into the Revised Statutes.

Mr. President, who were these commissioners? These commissioners took solemn oaths to make the revision in accordance with the above restrictions and limitations. They made their report at the close of the year, and it was laid before Congress. General Butler, of Massachusetts, and Mr. Poland, of Vermont, gave assurances to the House of Representatives that the law had been rigidly carried out. General Butler, or said. rigidly carried out. General Butler said:

I desire to premise here that your committee felt it their bounden duty not to allow, so far as they could ascertain, any change of laws. * * * We have not attempted to change the laws in a single word or letter so as to make a different reading or a different sense. All that has been done has been to strike out the obsolete parts and to condense and to consolidate and to bring together statutes in pari materia, so that you have here—

[Holding up the volume]-

excepting so far as it is human to err, the laws of the United States under which we now live.

which we now live.

The book of Revised Statutes contains more than 1,000 large pages, and, of course, the Congressional committee to whom it was referred did not read the book and compare it with the laws in existence. They probably never read a page. They took the word of the revisers that the law had been rigidly executed. The law directing the revisers what to do and the oaths which they took were plain and could not be misunderstood. It is safe to say that the commissioners did not make any mistake; they knew what they were doing. They deliberately palmed off a forgery upon Congress, and they did it in disregard of their solemn oaths. oaths

oaths.

This is the way you get your honest money. This is the way you get your sound money. Honest money! Honest money indeed! Money that was gotten by forgery and perjury as base as was ever proven in court of justice upon the fabrication of a clause in a will. Your "honest money" is a child of fraud and perjury and corruption. Let us in the future call it perjury money. Let us call it blood money, for that is what it is—perjury money, blood money, but like all men who want to advocate something dishonest, they put on the livery of heaven or use the words honesty and fairness. Their consciousness that their money is not honest, but obtained through perjury and forgery and fraud, prompt these men to call it honest money.

How can any man who knows this—and is there a man in the Senate who does not know it?—defend this fraud and this perjury without being particeps criminis?

Mr. Bogy, a Senator from Missouri, on April 25, 1876, referring to this transaction in a speech, said:

to this transaction in a speech, said:

This is a fraud. There was no law of that character existing at that day in the country.

That charge was made by Senator Bogy on this floor and no Senator dared to deny the charge of fraud, and no Senator now when I make it and repeat it dares to deny it. I am willing to be interrupted by anybody now to deny it either in a short speech or an elaborate one. I repeat, Mr. Bogy charged it is a fraud, committed by perjury. No Senator denied it. I repeat it, and there is no Senator here who dares to deny it now.

Is no Senator here who dares to deny it now.

Mr. Logan, of Illinois, asked Mr. Sherman how the demonetizing clause got into the Revised Statutes. What did Mr. Sherman say? Mr. Sherman said, "I do not know." He admitted it was a fraud; he admitted it ought not to have been there, but he simply satisfied himself with saying he did not know.

Mr. Beck, of Kentucky, on January 10, 1878, said:

Any provision of our statutes changing existing laws was and is a fraud con the country, whether intended or not, and should now be corrected.

At that date, January 10, 1878, Mr. Beck appealed to this body to correct that fraud. Everybody admits it is a fraud. Nobody defends it. He appealed then to the Senate to correct the fraud. The Senate refused. I appeal to the Senate to-day to correct this fraud. On next Tuesday we shall see how many Senators vote deliberately to sustain this fraud, knowing that it is a fraud.

I have so far called attention to three acts of Congress, namely, the credit-strengthening act, so called, of 1860, the refunding act of 1870, and the demonetization acts of 1873 and 1874. The clear purpose of these acts wa

First, to double the value of the bonds by making them payable in coin instead of lawful money.

Second, to perpetuate the bonds and make them everlasting by

the postponement and prevention of payment.

Third, to strike down silver and to force the payment of these bonds in gold, and to enhance the price of gold, in which they were to be paid. That was the mainspring and the moving force behind all of this dark legislation.

behind an of this was getting ready for the act of 1875, another part of this scheme of these bad men who would not help Mr. Lincoln to save the Union—the men who played traitors in the hour of need, the men who committed a crime a thousand times worse than the poor soldier who deserted and went home to get bread for his starving family and was shot for doing it. These same bad for his starving family and was shot for doing it. men were preparing for the grand act of 1875, to be followed by specie redemption a little later, in 1879. These bondholders, who had on the face of their contracts the pledge to pay in coin, deterhad on the race of their contracts the piedge to pay in coin, determined that before the time came for specie resumption there should be no specie that was legal tender but gold. They deliberately determined to double every debt in the country. They appealed to every little usurer in the country and every bank and every little man who loans money to come to their side and share the profits in a small way by doubling the debts the people owed and had to pay to the bondholder.

Yes, the next storing that gives was in 1875, preparatory to the

Yes; the next step in that crime was in 1875, preparatory to the resumption of specie payment in 1879. But before the day for resumption came there was another important event in the financial tragedy, and again these same bad men played their accustomed part. What was it? When the people of this country found out, in 1876, that silver had been demonetized, when they realized the extent of the crime of 1873-74, there was almost as realized the extent of the crime of 1873-74, there was almost as much an arousal of public sentiment from ocean to ocean on the silver question as there is now. The people pledged their candidates for Congress in 1877 to come here in 1878 and wipe out the crime of 1873 and 1874. They pledged their Senators to do it. They made the mistake of not pledging the President to do it, too. They elected their Congress, pledged to remonetize silver. The House was overwhelmingly for silver. They passed a free-coinage act wiping out the crime of demonetization before the resumption set took effect. The people were anxious before resumption began act took effect. The people were anxious before resumption began to restore silver as money, so they could pay in the money they promised to pay. They made haste to elect a Congress pledged to

The House passed the bill. It came to the Senate, and here, as is always the case—either in this body or the other—these bad men, these bankers who are trying to capture the next national convention, who would not help Lincoln to save the Union, came here and captured one branch of Congress. They always center their efforts on one House. They never waste their time on two. They try one House. They always try to shield their President from having to veto a good measure; but when they fail on both Houses then they fall back on the President. This time they did not bother the House. They did not decide to capture the House as Mr. Cleveland did in 1893. They let the House go; let the House free, and it acted free; acted according to its pleasures and according to the wishes of the people, and passed the free-coinage bill in 1878 and sent it to this body.

These bad men centered their evil influences around the lobbies of this end of the building. They delayed. They put off. They held up the Senate, as it were, until they got the body fixed. This body at that time would not dare to kill the bill outright. But what happened?

Mr. GALLINGER. Does the Senator know of any one indi-

vidual Senator who was corrupted at that time, or at any other

Mr. BUTLER. If I knew, instead of talking here I would use my efforts to put him in the penitentiary.

Mr. GALLINGER. The Senator does not know. He is simply talking about something that he does not know about.

Mr. BUTLER. I am talking what the people of this country have a right to believe, and what is a moral certainty, and what the Senator will never be able to dislodge from the minds of the

people,
Mr. GALLINGER. If the Senator will permit me, there was a distinguished murder trial up in New Hampshire, and the party who was accused appealed to the court and said he thought it was very unjust that he should be convicted on the testimony of one man, when he could bring thirty men to swear they did not see him do it. The Senator has not even brought one witness to prove that any corruntion has ever occurred in the Senate of the United that any corruption has ever occurred in the Senate of the United States, or in the other House of Congress, in regard to the matters

would like to use a more euphonious term, and instead of calling it "corruption" would call it "influence," I suppose. Influence, influence! The Senator will not dare to deny that somebody tries to influence this body against every important measure that comes up that concerns the people of the United States.

Mr. GALLINGER. If the Senator will permit me, I do not know how that may be with the Senator himself, but I think I can speak for one Senator, and I will say he is not importuned by anyone as to important matters that are before the Senate for its consideration. Of course, if the Senator has had experience had

consideration. Of course, if the Senator has had experience he knows about it. I do not.

Mr. BUTLER. Then it may be that the Senator is always on

the side of these very fellows when he comes here who would do the influencing. It may be that he came here that way, and there-fore he does not need to be influenced. I need to be influenced in their eyes very much, and they have to some extent tried it on me, but not successfully.

Mr. GALLINGER. I am glad the Senator is virtuous.

Mr. BUTLER. They did not succeed with me before I got here, either, and they have not since.
Mr. GALLINGER. If the Senator will permit me, I should

like to ask him two or three questions in good faith and in calmness concerning the crime of 1873. I ask the Senator if he knows for how long a time that bill was before the Congress of the United States for consideration?

Mr. BUTLER. I have some slight knowledge about that point. Has the Senator finished his question?

Mr. GALLINGER. For the present; yes, Mr. BUTLER. I was careful to get the information and have it in my desk, because I was certain I would find somebody just like the Senator from New Hampshire who would be ignorant on this question. He has heard somebody say—I am sure he would not be on the side of the question that he is if he were correctly informed—that the measure was fairly and fully discussed, that the measure was debated in this body a long time, that it was up time after time and printed and reprinted and the greatest amount of time taken on it, and therefore he sat back and thought to himself, "Well, how silly these men are to call it a crime and say it was slipped through!" and thus he has satisfied his conscience until he is perfectly happy that he is right.

Now, I am making this speech for his benefit. I have brought

here the information to get him perfectly straight, and I shall try to do it in perfect good humor and coolness. I have it here, and to do it in perfect good humor and coolness. I have it here, and it will surprise him and open his eyes, because it is going to convert the Senator, and next Tuesday when the vote comes he is going to be right on this question. When he finds that he has been imposed upon so basely, he is going to be very indignant with the people who have treated him that way. I hope he will not treat them roughly, but that he will try to convert them, too, unless

they are beyond converting, beyond the hope of salvation.

I have brought along, as I said, the information for his benefit.

I knew there would be some good men opposed to the measure who would do right if they knew the facts. I call attention to the act of 1873, and the conditions under which it was passed. I will elaborate on the conditions. The conditions under which it I call attention to was passed deserve special attention, and that attention I will

give right now.

The first step in this direction was the passage of the act of February 12, 1873, erroneously known as the act which demonstrated silver. This act has been called the crime of 1873, which it undoubtedly was; but it has been so thoroughly discussed in this Chamber that I will not make any extended remarks upon it. wish to say, however, that in my humble opinion that while this act may be truly called a crime on the one hand, yet it is an

example of inexcusable negligence on the other Here are two classes of men I want to deal with—those who were standing up for silver and did not do their duty to silver. How all of these death-dealing provisions against the money of the Constitution and against the contract which the Government had made, how this "heinous crime," in the language of Lincoln, could be incorporated into this bill and escape the knowledge of the friends of the people, is beyond my comprehension. It shows beyond question the necessity of the People's Party on the floor of both Houses of Congress to watch the interests of the people with eternal vigilance. This act of 1873 dropped the standard full legal-tender silver dollar from the list of coins and substituted therefor a trade dollar of greater weight, and therefore of greater intrinsic value, dollar of greater weight, and therefore of greater intrinsic value, and yet made it only a limited legal tender. This was a cunningly devised blow against silver. The alleged reason for coining this trade dollar of 420 grains was to supply the demand of trade with China and Japan. The real reason for its coinage, in my opinion, was to prevent the people from inquiry into why the standard silver dollar (which was a full legal tender) was dropped. It was to make the people think they had a better silver dollar on account of its weight being increased.

Of all of the acts of Congress, this is probably the most confuse.

about which he is talking.

Of all of the acts of Congress, this is probably the most confusMr. BUTLER. Let the Senator call it what he pleases. He ing. It suspends the coinage of the standard silver dollar of 412;

grains, but at the same time provides for a trade dollar of greater weight, and makes it a partial legal tender, and also continues the coinage of silver balves, quarters, and dimes at the rate of debasement provided by the act of 1853, and also made them a limited legal tender. Here is presented a condition without a parallel in monetary legislation. We have a standard silver dollar of 412½ grains, though no longer coined; a trade dollar of 420 manual minutes but 254 maintains to the delay of the standard silver dollar of 412½ grains, though no longer coined; a trade dollar of 420 maintains and minutes and minutes and minutes are silver to the delay of the silver to the grains, and minor coins containing but 384 grains to the dollar to be coined, all being of the same standard of fineness and each of the minor coins a legal tender to the same amount as the trade dollar, which contained 36 more grains of silver. I doubt whether there could be found in the coinage laws of any other nation on earth such a glaring inconsistency. If such legislation would not sconer or later bring silver coins into disrepute, such as to enable the gold men to raise a howl against it, it would be very strange

It has been questioned by some whether or not this act had the effect to demonetize the standard silver dollar, or whether it simply stopped the coinage of said dollar. But that question is not material in this discussion, because if the manipulators of the crime of 1878 bungled in their direful measure, they certainly completely succeeded in the act approved June 24, 1874, which was the report of a joint committee to revise and codify the laws of the United States. By turning to section 3586 of the Revised Statutes, as re-vised by this commission, we find the following under the head of

The silver coins of the United States shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

This certainly covered all of the silver coins of the United States and destroyed the full legal-tender quality of all. But probably the most fatal section of the act of February 12, 1873, was section 14, which reads as follows:

That the gold coin of the United States shall be a one-dollar piece, which at the standard value of 25.8 grains shall be the unit of value.

Will the Senator from New Hampshire say that that was ever discussed on the floor either of the House of Representatives or of the Senate? The most important legislative act that any country can pass is one which changes the standard or unit of value in a country, and which at the same time contracts is legal-tender money. Up to that hour the legal-tender dollar of 412‡ grains had been the unit of value in this country, and at one stroke of the pen it was wiped from the statute books and the gold coin made the

Mr. GALLINGER. The Senator from North Carolina asks me a question. I wish he would answer my question before he asks

one.

Mr. BUTLER. I am now answering your question, and I will answer it fully before I get through. It is necessary to get a few facts straight before we come to examine the pages of the Congressional. Record on February 12, 1878, and at certain later periods in 1874 and 1876. Will you now answer the question I have just asked

Mr. GALLINGER. I will answer the question of the Senator, and I will try to do it directly. I may be wrong about the historical facts connected with the crime of 1873, but my recollection is that the bill was drafted by the Hon. George S. Boutwell, I think in the year 1870, originally, and sent to the Congress of the United States

Mr. BUTLER. Yes; they went to work on it just as soon as they got through that act in 1870 which made it certain that the bonds should be paid in coin.

Mr. GALLINGER. I am giving the historical facts as I under-

stand them.

Mr. BUTLER. I want to correct the statement of historical

Mr. GALLINGER. If I remember correctly, John J. Knox, Deputy Comptroller of the Currency at the time, gave an opinion on the question, and it was before the Congress of the United States, and I know that Dr. Linderman, who was a very distinguished financial authority in those days—of course he would not guished financial authority in those days—of course he would not amount to anything in North Carolina, but he was a very distinguished financial authority-

Mr. BUTLER. If he would say that coin obligations can be paid in gold, and ought to be paid in gold, he would not amount to anything in North Carolina.

Mr. GALLINGER. He sent a communication to the Congress of the United States, from which I will quote a few words. Dr. Linderman gave it as his opinion that it would be wise "to discontinue the issue of the silver dollar altogether." That is what he said to Congress.

Mr. BUTLER. From what does the Senator read?

Mr. GALLINGER. From a communication of Dr. Linder-

man, of whom the Senator has heard.

Mr. BUTLER. To whom?

Mr. GALLINGER. To the Congress of the United States. Mr. BUTLER. Is it in the RECORD?

Mr. GALLINGER. I think the Senator will find it there. He

The gold dollar is really the legal unit and measure of value. Having a higher value as builton than its nominal value, the silver dollar long ago ceased to be a coin of circulation, and being of no practical use whatever it should be discontinued.

Under what date is that? Mr. BUTLER.

Mr. GALLINGER. I think that was written about 1871 or 1872. I am not absolutely sure about the date; but it was while this matter was under consideration by the Congress of the United

Mr. BUTLER. I should like for the Senator to inform me where in the RECORD that can be found.

Mr. GALLINGER. I will refer the Senator to the RECORD. He can find it for himself. It is a report. It has been cited here over and over again before the Senator or I came to Congress, and it has been cited during the time I was here when the Senator was not a member of this body.

Mr. BUTLER. The Senator will, I trust, tell me where it can

be found in the RECORD.

Mr. GALLINGER. I make the statement, and the Senator can hunt it up and disprove it if he can.

Mr. BITTLER. I have the Senator will point to the place in

Mr. BUTLER. I hope the Senator will point to the place in the RECORD where that communication can be found. Mr. GALLINGER. The Senator is a very industrious man,

and he will find it if it is there. If it is not there, he will make

that discovery.

Mr. BUTLER. The Senator says that it is in an official com-

Mr. BUTLER. The Senatr says that to the annucleation to Congress?

Mr. GALLINGER. Yes, sir; I make that assertion.

Mr. BUTLER. Under what condition was it sent to Congress?

Mr. GALLINGER. I can not say just what was being considered by the Congress of the United States at the time.

Mr. BUTLER. Was he an expert called upon by Congress to

Mr. GALLINGER. I do not know.
Mr. ALDRICH. He was Director of the Mint at the time.
Mr. GALLINGER. Certainly.

Mr. BUTLER. Then it is in his report as Director of the Mint and not in the RECORD?

Mr. GALLINGER. I think the Senator will find it there.

Mr. BUTLER. In what report, will the Senator from Rhode Island state?

Mr. ALDRICH. In 1870 or 1871.
Mr. BUTLER. The Senator will help me to find it?
Mr. GALLINGER. We will help the Senator to find it. I
have answered the Senator's question. It was perfectly undernave answered the Senator's question. It was perfectly understood that the silver dollar was to be legislated out of existence. It was stated by Dr. Lindermann, as I read from his communication, and I think it was discussed by financiers generally. Now, I wish to ask the Senator a practical question.

Mr. BUTLER. Just a minute before you go any further. You say it was perfectly well understood that the silver dollar was to be legislated out of existence and the gold dollar made the unit of value?

unit of value?
Mr. GALLINGER.

Mr. GALLINGER. I think so.
Mr. BUTLER. Will you name a single Senator who was on
the floor at that time who will say he knew it and understood it,
or for whom you can say he knew it and understood it?
Mr. GALLINGER. I have not consulted the Senators who

Mr. GALLINGER. I have not consulted the Senators who were here at that time.

Mr. BUTLER. The Senator from Ohio [Mr. Sherman] is in the city, he is in this Capitol, and I will wait for you to send for him and ask him if he will say that he understood it at that time.

Mr. GALLINGER. It is unaccountable that a bill of that hims should be discussed, with Dr. Lindermann's words before Congress and the opinion of Mr. Knox, the Deputy Comptroller of the Treasury, before Congress, without somebody understanding it. It does not speak well for the body of which the Senator is a recember to be averaging that sixty or seventy men did not know member to be arguing that sixty or seventy men did not know what was going on or what they were voting on when the matter had been discussed for two or three years.

Mr. BUTLER. Will the Senator say that those opinions and expressions were used by any Senator on this floor in support of the bill when it was under consideration?

Mr. GALLINGER. I was not here and I can not say Mr. GALLINGER. I was not here and I can not say.
Mr. BUTLER. I say they were not, and there is not a line or
a sentence in the Congressional Record which shows the real
purpose of the act of 1873. Not a single Senator said on the floor
of this Senate at the time that he was in favor of such a scheme
and such robbery, and everyone who voted for it repudiated it
afterwards and said he did not know that the act carried such a

provision.

Mr. GALLINGER. The Senator will permit me another very brief question. The Senator speaks of corrupt influences being around Congress. I suppose he knows the assertion has been made on the floor of the Senate over and over again that the Bank

of England contributed £500,000 to send a trusted agent over here to corrupt Congress and pass the law.

Mr. BUTLER. I can not say where it came from. I should not be surprised if some of it did not come from there, because the large profits wrung from our people by the passage of that act have been going over there since. But wherever it came from or have been going over there since. But wherever it came from or what kind of influence it was, it is my belief, and it is the belief, I am sure, of a majority of the American citizens, that there was undue influence used on a few to smuggle it through Congress.

Of course the majority voted without knowing, but there must have been an undue influence used on a few to put that bill through with such radical and monstrous provisions in it without the knowledge or wishes of the American people. Those who voted for it brand it as a fraud.

Mr. GALLINGER. Does the Senator know what a silver dollar was worth when that act was passed?

Mr. BUTLER. I will have the Senator state.

Mr. GALLINGER. I will state that it was \$1.02\frac{1}{2}\$. Yet England, the great creditor nation of the world, came here and corrupted Congress to destroy money that was worth \$1.02\frac{1}{2}\$, so that

she might be paid in money worth a dollar.

Mr. BUTLER. So she might be paid in money worth \$2. So that she might get two pounds of cotton from the Southern cotton

fields for every one we owed her.

Mr. GALLINGER. That is another thing.

Mr. BUTLER. So she might get two bushels of wheat for every one we owed her. Yes, this is another thing, but it is the thing that is true. There was not then, nor is there now, half gold enough in the world for money. England knew that the United States and the whole world was in debt to her and if she could reduce one-half of the money of the world then by the same stroke of the pen she would double the debts the people would pay to her. The Senator knows it. The Senator in his heart to-day is not for the single gold standard. He knows it is wrong. He knows it is an infamous wrong. The Senator—and I hope I do him no injustice if he were a free man-

Mr. GALLINGER. Now, Mr. President— Mr. BUTLER. And if his constituents did not happen to think like they do, or to be controlled in some way by certain agencies, I believe the Senator would vote now for free silver, for this antibond bill. There are a number of good men on this floor who vote wrong on this question. The question confronting them is this. It is when they are converted and convinced here, if they were not before they came, of what is right, whether they shall vote with the controlling influences among their constituencies, or whether they will vote for what they think here would be the best. Ido not intend to impugn their motives in doing it, because it is a question with them whether it is their duty to vote their own sentiments or to vote the sentiments of their constituents, and you know a man has constituents and constituents.

Mr. GALLINGER. Mr. President, just a word in this connection. I am not going to get into any angry altercation with the Senator. He is amiable to-day, and I am always amiable. But I do want to protest against the methods of the Senator. This has not been his first offense in that direction, when standing on the floor of the Senate he makes assertions concerning what other Senators believe. I want to say for myself that I do not believe what the Senator attributes to me. I have convictions on this matter as he has convictions. I am not going to impugn his motives nor to call in question his convictions, but I do protest against the Senator putting in my mouth words that I have not uttered and attributing to me convictions that I do not

we. That is all.
Mr. BUTLER. Then the Senator is not in favor of the single gold standard?

Mr. GALLINGER. I did not say so. I will in my own time, at my convenience, if I find it proper, state to the Senate what my views are on this question. I do not propose to have the Senator

from North Carolina state them for me.

Mr. BUTLER. Of course what I said was in the utmost good humor; but at the same time I want to say to the Senate and to the country that I believe the time has come when it is the duty of every man here who believes that this gold conspiracy must be struck down before ever prosperity can come back to the people to raise his voice in no uncertain way. I believe the time has come for men who so believe to speak out boldly and use words that mean something, to express his honest conviction, to denounce what he considers wrong, and to call the attention of the country to it in fitting language and in no euphemistic terms.

I have spoken plainly on the floor of the Senate about this question because I feel earnestly about it. I feel that the salvation of the Republic as well as the prosperity of the people depends upon stopping this infamous crime that is now being carried out each day by the Secretary of the Treasury under such infamous legislation as has been plastered upon our statute books since the war. I believe it is necessary to arouse the conscience of the American people to the enormity of the wrong and to the still greater dan-

ger in store if this thing is not stopped. I believe that it is necessary to do it to solve this question peaceably, and if I know my conscience between me and my God, my greatest desire and the greatest sacrifice that I would make would be to see this question. solved at the ballot box and at the earliest day possible. That is the way I pray for it to be solved. But it must be solved soon if ever solved at the ballot box. Therefore if I hurt anyone's feelings I am sorry for it. I do not mean it as a personal offense, but I will speak plainly, and I will call things by their right names.

Mr. GEAR. Mr. President—

Mr. CHANDLER. I should like to have the attention of the Senator from North Carolina. He found fault, I understood, because an agreement had been made to you mon the bill on Trage.

cause an agreement had been made to vote upon the bill on Tues-

day afternoon next.

Mr. BUTLER. No, I did not.
Mr. CHANDLER. If the Senator did, then I will ask unanimous consent to rescind the agreement to take a vote on Tuesday

Mr. BUTLER. I o Mr. CHANDLER.

I object, Mr. President. R. Then the Senator does not think the goldbugs got a time fixed in order to avoid the discussion of this sub-

Mr. BUTLER. I do not know that, but I think they are realiz-

ing that they were not getting the better of the discussion.

Mr. CHANDLER. They have had no chance. The authors of
the measure have had the whole time, and if it is all to be taken up by the friends of the measure between now and 5 o'clock Tuesday afternoon, or whenever we get through with the business of the Senate, it seems to me the unanimous-consent agreement

ought to be rescinded.

Mr. BUTLER. I distinctly gave notice that I would not even permit one hour to be used to-day upon the conference report if there was anybody who wanted to speak upon the pending bill. I gave notice that if anybody wanted to speak this evening, either for the bill or against it, I would give way, but no other Senator was ready to exact.

was ready to si

Mr. CHANDLER. I am unwilling that the assignment shall stand for a vote upon the bill if the Senator insinuates that it was

made unfairly or is unwilling to have it stand.

Mr. BUTLER. I do not say it was made unfairly, because the Senate agreed to it and nobody objected. It was an agreement that if I had been here I would not have agreed to myself; but I do not desire to have it changed unless the Senator is anxious for a vote at an earlier day. I will stop talking now if a vote can be had this evening.
Mr. CHANDLER.

Mr. CHANDLER. That is quite a consideration, perhaps. Mr. BUTLER. I thought I would offer the greatest one possi-Of course to a representative of the gold men it would be a

consideration.

Mr. CHANDLER. I do not think it would be in order for the Senate to vote upon the bill before the time fixed next Tuesday.

Mr. GEAR. I wish to ask the Senator a question. The Senator said that this question might be settled at the ballot box. Is there any other method which the gentleman proposes except by the ballot box? I should like to have the Senator inform the

Senate if there is,
Mr. BUTLER. I propose no other method.

Mr. GEAR. I understood him to propose other methods, at least by implication; that if it were not settled at the ballot box it might be settled in another way. The Senator occasionally has such a way of talking, and I would like to know by what other method he proposes to settle this question other than at the bal-

Mr. BUTLER. I do not know whether it would add to the gentleman's comfort and ease to tell him, but I might remind him how questions similar to this one are settled in a much less than the state of the course we are civilized country than this—China, for instance. Of course we are getting very civilized, but in countries less civilized they have to getting very civilized, but in countries less civilized they have to settle these questions in another way. Whenever the class of fellows like those who sent out the bank resolutions which I read buy up and corrupt political parties and use their influence on the legislative halls and steal from the people indirectly or directly by having their banks break and not paying their depositors, they take such a man out and hang him or they take him to a block, if he prefers and is fastidious about it, and chop off his head. But I propose and favor no method but the ballot box for correcting these financial evils. We consider China much less correcting these financial evils. We consider China much less civilized and progressive than the United States, yet the Chinese Government, when recently it borrowed \$75,000,000 and issued its bonds for the same, managed to get it from the money trust by paying a commission of 5½ per cent. This was a large bonus, but how does it compare with the financial operations of this great, strong, and highly civilized Government of ours?

Last year, in February, our President, without consulting Congress, made a contract with a private syndicate by which a loan of \$62,000,000 was floated. The private syndicate paid 104½ for the bonds and sold them at about 119. That is, the rich, stable,

highly civilized, and honest American nation, that never defaulted and never threatened to default on a dollar of principal or inter-

and never threatened to default on a dollar of principal or interest, had to pay a commission of 14½ per cent.

On the last loan of \$100,000,000 the President paid to these money sharks a commission or bonus of over 10 per cent. Thus we see that China is either smarter than we are or else her credit is better than ours. And it is in China that whenever a bank fails they chop off the head of the bank president. The consequence is they never have bank failures in China, while here we have them by

the thousand. Mr. GEAR. The gentleman would prefer that method of pun-

Mr. GEAR. The gentleman would prefer that method of punishment probably.

Mr. BUTLER. I say the time might come when an outraged people might swing some man to a limb. I hope that time will not come, because I prefer not to correct evils and crimes of any kind by that method if avoidable. I have, however, seen criminals hung to a limb that were less criminal and less dangerous to the peace of this country than the men who are to-day fastening their informers are true and the country than the country informers are the country.

ing this infamous system upon the country.

Mr. GEAR. That is the way they act down in your country. It is not the way they administer justice in my part of the coun-

It is not the way they administer justice.

Mr. BUTLER. No: because it seems in your State that the people are not opposed to or as yet have not realized the extent and enormity of the evils of the gold standard.

Mr. GEAR. I should have been sorry to be sent from North Carolina if my people were of the same opinion as those who sent the gentleman here. I represent as good a constituency in my State of Iowa as lives on the earth; they are a man-loving, God-fearing, and law-abiding people. They commit no crimes such as the gentleman adverts to.

Mr. BUTLER. If inadvertently I reflected upon the gentleman's constituency I beg—

man's constituency I beg—

Mr. GEAR. That is all right.

Mr. BUTLER. I did not so intend. I want that distinctly

understood.

Of course, if I did not speak pleasantly in my tones, I want to say that I do not feel any personal animus in regard to the matter. But of course some States send men here holding one view and But of course some States send men here holding one view and other States send men here holding a directly opposite view. Of course, States like North Carolina, that have a large agricultural population, that have the great bulk of their people engaged in farming and wealth producing, a people like that where there are only a few who are gathered into towns, would send a different representative here from a State where the population is congested in and around great cities. The Senator's State is also agricultural, I think, but my State more so than any other State in the Union. There are fewer people in towns compared to the percentage of population in North Carolina than in any other State

Mr. GEAR. May I make a statement? In the State I repre-Mr. GEAR. May I make a statement? In the State I represent in part on this floor there are more people engaged in agriculture than there are in the State the gentleman represents. These questions have been submitted to them time and time again, and the good people of that State have rendered their verdict, and that is the reason why they have sent me here, because I am in full harmony and sympathy with the views which they express at the ballot box.

Mr. BUTLER. The people of your State may have grown rich, but mine continue to grow poorer while they work harder. They create more, they make two blades of grass grow where one grew before, they carry out the divine injunction to earn bread by the

sweat of the face; but the more they make, the harder they work, the poorer they get under the policy you advocate.

Mr. GEAR. I beg to say that in the State I represent, although the people may have less money, they are in a more prosperous condition; their farms have been advancing more in value in the last ten years than they did before in twenty. It is true the price of property is low, and yet with all that our people, while they earn their bread with the sweat of the face, live in comfort and

earn their bread with the sweat of the face, live in comfort and peace, and piety, I might say.

Mr. BUTLER. Then there is no dissatisfaction among your people about their present financial system?

Mr. GEAR. There are a majority of the Democrats in my State, who take the same position on financial questions that the gentleman takes, who believe in debasing and destroying the credit of the Government as the gentleman proposes to do by the credit of the Government as the gentleman proposes to do by the

credit of the Government as the gentleman proposes to do by the pending bill.

Mr. BUTLER. Destroying the credit!

Mr. GEAR. Destroying the credit, as it would be destroyed by the passage of such a law.

Mr. BUTLER. Destroying the credit!

Mr. GEAR. And not only expel the gold from this country, but you would bring us to a gold basis, and thereby bring to the same basis every dollar of paper that the Government issues.

Mr. BUTLER. How much gold is there in the State of Iowa? They must have it all.

They must have it all.

Mr. GEAR. It is not much, but they have enough for the banks to pay their debts with, and plenty for individuals to pay their debts where the contract is that they shall pay in gold.

Mr. BUTLER. The Senator may speak over his State and ask every man in the audience when he spoke who had a gold dollar in his pocket to raise his hand, and if the Senator got all the votes of those who had gold dollars he would not get enough votes to elect him constable of one township if he had all the votes in the

Mr. GEAR. The people of my State keep bank accounts.
They do not carry money around in their pockets. They simply draw checks and pay their debts in that way.
Mr. BUTLER. That will be news, I suspect, to the farmers of

Mr. GEAR. Not much.

Mr. BUTLER. It will be news to the farmers of Iowa that they Mr. BUTLER. It will be news to the farmers of Iowa that they are all strutting around with bank accounts. There must be close communication between them and Wall street, and there must be a "divvy" between them. That is the only way I can understand it. I hope it is so; but if it is so, then I appeal to what patrictism there is in your hearts, and I believe there is a great deal, to turn your eyes to view and consider the condition of the remainder of the country, and not to do like the President, who can not see anything out of Wall street and Buffalo. I appeal to you to turn your eyes over this country and see what misery and disnot see anything out of Wall street and Buffalo. I appeal to you to turn your eyes over this country and see what misery and distress there is from ocean to ocean—the business of every wealth producer going down who is trying to live honestly. Their farms are going down, their land is falling, the price of their products is falling in value, and they can not pay their honest debts. I appeal to what patriotism there is in you to help change this policy which is helping nobody but Iowa and Wall street and bringing the curse of hard times on all the year of the country.

which is helping nobody but Iowa and Wall street and bringing the curse of hard times on all the rest of the country.

I am glad that Wall street and Iowa are prosperous. I am glad that they are not suffering from hard times as are the people in the rest of the country. But, Mr. President, I do protest against their kind of patriotism when they are satisfied to see everybody suffer and go to the poorhouse but their own chosen few, the four hundred of Wall street and Iowa.

And, Mr. President, before proceeding, there is something else that I wish to protest against. It is the habit of certain gold Senators on this floor to try to misrepresent every Senator who, when discussing earnestly the financial question, expresses a hope that this irrepressible conflict may be settled peaceably and at the ballot box. I say it is the custom of certain Senators to try to misrepresent box. I say it is the custom of certain Senators to try to misrepresent such statements and to make it appear that the expressing of such a wish implies lawlessness and a desire for bloodshed. I protest against such unwarranted and unfair methods. It is resorted to by those who can not answer our arguments. I expressed, a few moments ago, the wish that these financial evils might be corrected, and the contest between labor and capital might be settled peaceably and at the ballot box. I submit that that is a patriotic sentiment, and one that every good citizen joins me in.

In fact, if we did not have so much sad history to the contrary in the fall of empires and republics; if the pages of history were not strewn with the failures of republics and governments that started out in a manner which allowed the people to prosper and then have decayed, fallen from evils and unjust conditions like these which now curse our body politic; if we did not have—

Mr. HAWLEY. Will the Senator yield to me for a moment?

Mr. BUTLER. I will not yield just now. If we did not have the convergence of the country continue on the downward road it is going, nor would they have occasion to extest against such unwarranted and unfair methods. It is resorted

downward road it is going, nor would they have occasion to express such sentiments. It is a patriotic sentiment, and I hope the Senator from Iowa feels that way. It would be unworthy of him not to hope, whatever his views of this question are, that this irrepressible conflict should be settled at the ballot box.

But what I do want to protest against is this: I do it in no bad

feeling, but I protest against the method of Senators who favor the gold standard taking advantage of those opportunities and statements like that to rise on the floor to try to twit the Senator who makes the statement or to try to goad him with questions of their own framing into saying something that can be perverted. The Senator from Iowa knows that the statement I made is one

that is worthy of any patriotic citizen, and it is one that he can make himself, I hope, and one that will be worthy of him and do credit to him to make.

Mr. GEAR. May I interrupt the Senator to say a word?
Mr. BUTLER. In the heat of discussion it is often the case—
and I have seen Senators other than myself do so—that Senators answer those questions and do so in such a way that their answers

can be misinterpreted.

Mr. GEAR. Will the Senator permit me to say a word? Mr. GEAR. Will the Senator permit me to say a word? It was not what the Senator said or his words or terms, but what he said by implication. I want to say right now that I do not believe the Senator wished to be understood as even by implication saying anything harsh. If I have said anything unjust with regard

to the people of North Carolina, whom the Senator represents, I want to say that I have no desire and no wish to say anything reflecting on the people of his State.

Mr. BUTLER. I thank the Senator from Iowa for his very candid statement, because I felt it was my duty to make a statement. What he has said makes it almost unnecessary for me to put in the RECORD what I am about to say. No more law-abiding people live in the United States than the people of North Carolina. I challenge any State of the Union to show a people more conservative, more law abiding; a people who suffer longer and endure even when they feel they are suffering from wrongs, than the people of good old North Carolina. They are slow to move. They do not go off suddenly at a tangent. They are not volatile in their temperaments. They are of the old original Anglo-Saxon stock, and there is a smaller foreign element to-day in North Caroina than in any other state in the American Union.

Mr. PEFFER. Oh, the Senator is mistaken.

Mr. BUTLER. I repeat it.

Mr. PEFFER. The Senator is wrong.

Mr. PEFFER. Mr. BUTLER.

Name your State. Kansas

Mr. PEFFER. Kansas?

Mr. BUTLER. Mr. PEFFER. Yes.

Mr. BUTLER. I appeal to the census. The last census of this Government shows that there were more men living in North Carolina who were born there, whose fathers were born there, and whose great-grandfathers were born there, whose ancestors lived on the soil and fought in the Revolutionary war as citizens of North Carolina—there are more of those people; that is, a larger or North Carolina—there are more of those people; that is, a larger percentage, in my State than in any other State in the Union. It is the pure, original American stock. I do not say it as reflecting on any other State in this Union, but I state as a fact that our people are, as the criminal records will show, as law abiding as any people in the American Union, and one thing is sure, that I correctly represent them and their sentiments on this financial question. If I have said anything here that ear he trivial into If I have said anything here that can be twisted into question. If I have said anything here that can be twisted into a different construction or leaving a different impression as to the kind of people who compose the citizenship of my State, then I was simply unfortunate in not expressing myself clearly.

Mr. GALLINGER. The Senator is good-natured to-day. He has had put in the RECORD two or three times a resolution of the last of the gold standard. Will

bankers of New York City in favor of the gold standard. the Senator yield to me just a moment to have a resolution go into the Record which was adopted by the New York Associainto the Record which was adopted by the New York Association of Savings Banks, representing 1,700,000 depositors, with aggregate deposits of \$700,000,000? The most of that money is deposited by poor men and women and children. I should like to have the resolution read from the desk. It is very brief.

Mr. BUTLER. All right.
The Secretary read as follows:

Resolved. That this association, representing the interests of 1,700,000 depositors, with deposits aggregating over \$700,000,000, solemnly protests against any and all efforts to change the gold standard now existing for the currency of the country, and affirms its conviction that any departure from this standard will not only impair the prosperity of the laboring classes, but that the only classes or individuals to be benefited would be the capitalist and foreign investor, who would be quick to take advantage of the rise and ultimate fall in prices sure to follow a premium on gold.

Mr. BUTLER. I did not hear that resolution, but I heard just enough. I think the savings banks folks were protesting.

Mr. GALLINGER. Yes, sir; the representatives of 1,700,000 depositors, poor people in this country who have a little money in the savings banks.

Mr. BUTLER. And they were protesting against any change

from the gold standard?

Mr. GALLINGER. Yes, sir.

Mr. BUTLER. Mr. President, of all the kinds of cunning men
who use cunning devices that are first cousin to his satanic majesty; of all the men who play upon the laborer and the supposed interest of the laborer, in order that they may deceive the laborer and help to rob him, is the class of bankers that I have referred to here, who are the very conspirators who are behind that move-ment to hoodwink the poor depositors of savings banks and get them to ask for laws that will each year diminish their earnings. These bankers are the same fellows who are trying to capture your convention and will do it; trying to put a gold bug, the agent of Shylock, in the White House, and they will do it unless the people get together, as I hope they will, on financial reform. They are the very men who are behind that movement. A part of their campaign fund which they raised has been used to get that resolution passed.

resolution passed.

Yes; they go to the laborer and tell him that now you have got a chance to get a drop on somebody else. You have got so many dollars put in the savings banks. Now, they go and appeal to that man's selfish instincts and ignorance—I say ignorance in no offensive sense, but because the laborer, who has to work ten hours a day on scant food and lie down to sleep on a hard bed and

not get sleep enough to refresh himself the next morning, has not time to inform himself on such a question—they appeal to that man's ignorance and cupidity—for we all have some of it in us man's ignorance and cupidity—for we all have some of it in us— and say to him, "You have \$10 in the savings bank. If you vote for the gold standard your \$10 will be \$20." That is the kind of infamous argument that is poked at these men who are being ground down daily by this system, the men who can not get work to-day. Out of the millions of men in this country who want to work, there is not 25 per cent of them who can get work. That is the work of the country who want to work the country who was the country when the country was the country who was the is what is the matter. And these gold men go to a few who happen to have several dollars and appeal to them to vote to double their dollars at the expense of their brother laborers who are out

of employment.

They appeal to them to keep the other laborers from getting employment. They appeal to those laborers to keep producers from employment. They appeal to those laborers to keep producers from the products of the field. They appeal to getting a fair price for the products of the field. They appeal to those laborers to have themselves taxed in order that we may pay Great Britain double what we owe her. The Senator knows himself the kind of spirit, the kind of greed that is behind the movement that got them to pass that resolution; and I am astonished that he stands up here and helps them to continue the deception,

to continue the fraud by giving credence to it and publishing it.

Mr. GALLINGER. The Senator has offended again in saying that I know a thing that I do not know. I wish that he would confine himself to statement of fact concerning himself and not

Mr. BUTLER. The Senator is so intelligent looking that I am bound to suppose he does know some of these things, but if he does not I beg pardon for transgressing the limit of his intelligence.

Mr. GALLINGER. That is right. Of course, you can not measure me by yourself in that direction.

Mr. BUTLER. No; that would be unfair. The Senator from Iowa [Mr. Gear] has gone from his seat. I was interrupted. I

was not quite through with him. I am very much interested, extremely interested, now, in Iowa.

Mr. Gear entered the Chamber.

Mr. BUTLER. Here he is. I have just referred to the Senator from Iowa. I am glad to see that he has returned. Here is a letter, under date of March 10, 1890, written by the distinguished Senator from Iowa. These honest convictions to which he referred—we all have them, but they get wobbly sometimes and they wobble and wobble, and then they turn a somersault, and sometimes they are not as pretty when they turn a somersault as before they did.

Mr. President, I guess it is not out of order, inasmuch as we are anxious to get the truth about this question and to do what is the greatest good to the greatest number, to ask that the letter be

The Secretary read as follows:

The Secretary read as follows:

Washington, D. C., March 10, 1890.

My Dear Judge: I have yours of March 6, and note what you say on the sliver question. There is no question in my judgment that you are absolutely correct in the position you take on this question. We dig silver as we dig potatoes, and it is as much a product of the soil as anything else which costs labor to produce, and I always have been of the opinion that it was the bounden duty of the Government to coin silver for anybody who may present bullion, still you know, as I do, that a large number of Eastern people are bitterly opposed to free coinage. The Administrations for the last twenty years, without exception, have used all their influence adverse to such a measure, but I think the day will come, and that at no distant time, when anybody who has bullion can take it to the Treasury and have it coined on his own account. I will send you to-morrow a copy of the Allison bill, which is looked upon with great favor, and if enacted into law and honestly carried out it would in my judgment advance the price of silver in less than sixty days; still it is not as good as free coinage itself.

With kind regards, I am, yours, truly,

Hon. P. Henry Smythe, Bwilington, Iouca.

Mr. BUTLER. The Senator from Iowa at that time could have

Mr. BUTLER. The Senator from Iowa at that time could have been elected a Senator from the State of North Carolina.

Mr. GEAR. I should have been very sorry if I had been.

k, Mr. President, the date of the letter which has been read. Mr. BUTLER. It is dated March 10, 1890. Mr. GEAR. In 1878 or 1880—I have forgotten in which year it I had the honor of being chief magistrate of my State. At that time I took up and discussed in my inaugural message to the general assembly of my State the question of free silver. The demonetization act had been passed but a short time before. I stated then, if I recollect aright—I can not quote the exact words—that I was not in favor of that act. I can say now, perhaps with equal truth, that I am not in favor of it. I thought then as a great many men did, and I thought as a great many men think now who have not thoroughly investigated the question, that the way was open for free coinage, and I advocated that, I am frank to say, but when I have not appeared the other Horse of Congression, when it became a member of the other House of Congress, and when it became my duty to examine and investigate this question with all due care, being called upon as I was to represent in part the interests of 2,000,000 people, I investigated it carefully and gave it much study, and I came to the conclusion, as very many must who investigate the question without prejudice and without bias, that free coinage as proposed then and as proposed now would be

a detriment to the American people, a damage to their currency, and a damage, above all others, to the farmers and laborers of this country. I can not see, Mr. President, how any fair-minded man who thoroughly investigates this subject can come to any other conclusion.

I do not take back anything contained in the letter which has been read. At the time it was written I believed just exactly as I there stated; but I have changed my mind, as I presume the Senator has changed his mind, and I presume there are many Senators and members of the House of Representatives who had not investigated this question until they were obliged to examine it, as they were to be called upon to vote upon it, and when they fully investigated it they came to the same conclusion I have, and as many others have, and perhaps some of them have come to the same conclusion which the Senator now maintains.

Mr. BUTLER. How long had the Senator been in the House of Representatives when he wrote that letter?

Mr. GEAR. One session.

Mr. BUTLER. The Senator had not been in the House of Representatives long. The Senator was not very well acquainted with national legislative matters at that time?

Mr. GEAR. That is true.

Mr. BUTLER. And, therefore, he was lead off into the support

of free-silver coinage?

Mr. GEAR. I had been about the same length of time in the House of Representatives as the Senator has been in the Senate, and was probably as well posted then as the Senator is now.

and was probably as well posted then as the Senator is now. [Laughter].

Mr. BUTLER. Possibly, but inasmuch as that is about the only kind of reply that a man can give for becoming a gold bug, I want to give the Senator the full benefit of that. The Senator from Massachusetts [Mr. Lodge] seems to enjoy it so much, and he has had so little comfort for him and the goldites in this debate that I will wait a minute if that remark adds to his pleasure, because I am going to reply to it.

Mr. Lodge. I think the remark of the Senator from Iowa has been quite sufficient. I do not think it is necessary that I should say anything.

say anything

Mr. BUTLER. The Senator from Iowa admits frankly enough that he was mistaken; so does Hoke Smith, so does John G. Carlisle, and-

Mr. GEAR. I object to being placed in the same category with John G. Carlisle.

John G. Carlisle.

Mr. BUTLER. I beg pardon. I will not place the Senator in that category if it is disagreeable to him; but the cases are similar.

Mr. GEAR. I wish to have some choice with regard to the company I am in. The difference between John G. Carlisle and me is this: John G. Carlisle voted for free silver, as he stated, when he was in the other House, and I had the honor of being his excuse for that vote. I do not want to be put in that category.

Mr. BUTLER. Then the Senator from Iowa comes to the defense of the Secretary of the Treasury.

Mr. GEAR. Not at all. I do not want to be put in that position.

Mr. BUTLER. To explain why he so voted, he gives an excuse that Mr. Carliele, the Secretary of the Treasury, has never, I believe, given himself. I congratulate the Secretary of the Treasury upon having the addition of the help of the Senator from Iowa in getting him out of his apparent great difficulties in explaining his position. It is well to have somebody to stand sponsor for him and give a reason which I think Mr. Carlisle never has dared to give himself. The difference between the Secretary of the Treasury and the Senator from Iowa is that the Senator from Iowa was for square free coinage, while the Secretary of the Treasury hedged and quibbled on that little dividing line that, though in favor of coining silver into legal-tender dollars, he was not in favor of free mintage, and therefore the only injustice done is that it seems the Senator from Iowa has backslided farther from his original position and convictions than has the Secretary of the Treasury. The Senator gave better reasons in 1890 for his posi-tion then than he seems to be able to give now for his new and

opposite position.

Mr. GEAR. I want to say in reply to that that it is only fools who do not occasionally change their minds. This is a great question, a question that ramifies amongst and affects all the people of this country. The gentleman who wrote that letter was one of my neighbors—I will not express an opinion about his sending a private letter to a Senator here; that is a matter for him to settle—and has been an intimate friend of mine for forty years. The only crime I can charge myself with in connection with him was that once when he was a candidate for supreme judge of my State on the Democratic ticket I was weak enough to vote for him. I apologize for that. I do not deny the letter; I affirm it, and say just what I said before, that any intelligent man who gives this question proper study must, in my judgment, come to the same conclusion at which I have arrived.

Mr. BUTLER. The gentleman to whom you wrote this letter has not been able to see the error of his way, as you have, and he is a near neighbor of yours-

He is a Democratic Populist. Mr. GEAR.

Mr. BUTLER. He is a man who refuses to go backward. He believes in standing by the principles of Thomas Jefferson, Andrew Jackson, and Abraham Lincoln; he is a man who is so good a Republican and so good a Democrat that he is a Populist. It has gotten now so that a man does not dare to talk patriotism or express patriotic sentiments unless he is willing to be classed as being a Populist. Some men claim to think that it is almost equivalent to ridicule to charge a man with being a Populist, but when this present goldbug reign is over we will be merciful to

when this present goldoug reigh is over we will be merciful to those who favor the gold standard, because they will need mercy. Patriotism then will be at par.

Mr. GALLINGER. Will the Senator yield to me a moment?

Mr. BUTLER. In one moment; I wish to say first that I had some hesitancy about using a private letter, but the gentleman to whom it was sent requested that it should be used, and I saw at the property of the proper nothing in it that was private. It was about public affairs, and it was a letter which was not marked "private"; it was about no private business, but it was exclusively in relation to the great and important question which is now before this body, and I was sure that the Senator from Iowa was not ashamed of his sentiments then

Mr. GEAR. I made no objection to the Senator reading the letter.

Mr. BUTLER. Therefore the Senator can have no objection to

the letter having been read. Mr. GEAR. Not at all.

Mr. GEAR. Not at all.

Mr. GEAR. Not at all.

Mr. GALLINGER. With the indulgence of the Senator, as he suggested a little while ago that he trusted I would assist him in finding certain facts that I stated regarding Mr. Knox and Dr. Lindermann, I have found one important fact in relation to the "crime of 1873," and I will promise the Senator to find one or two more before I get through. I want to read to the Senator, under date of April 25, 1870, a communication which he will find in this book, which I will be pleased to call to his attention.

Mr. BUTLER. What is it?

Mr. GALLINGER. A letter of the Secretary of the Treasury, Mr. Boutwell, to the chairman of the Committee on Finance, communicating to Congress the bill which has been referred to. Mr. John Jay Knox, who signs himself Deputy Comptroller of the

John Jay Knox, who signs himself Deputy Comptroller of the Treasury, expresses these views. This was in the year 1870, nearly three years before "the crime of 1873" became an established

The coinage of the silver dollar piece, the history of which is here given, is discontinued in the proposed bill.

is discontinued in the proposed bill.

There was not any ambiguity about that,
Mr. BUTLER. What was that?
Mr. GALLINGER. That was "the crime of 1873."

It is by law the deilar unit, and assuming the value of gold to be 154 times that of silver, being about the mean ratio for the past six years, is worth in gold a premium of about 3 per cent (its value being \$1 6912) and intrinsically more than 7 per cent premium in our other silver coins, its value thus being \$1.0742. The present laws consequently authorize both a gold-dollar unit and a silver-dollar unit, differing from each other in intrinsic value. The present gold dollar piece is made the dollar unit in the proposed bill and the silver dollar piece is discontinued. If, however, such a coin is authorized it should be issued only as a commercial dollar, not as a standard unit of account, and of the exact value of the Mexican dollar, which is the favorite for circulation in China and Japan and other oriental countries.

That is the communication.

That is the communication.

Mr. BUTLER. From what book is the Senator reading?
Mr. GALLINGER. I am reading from Miscellaneous Doculents of the Senate of the United States in 1871.
Mr. BUTLER. Was it printed then as a document?
Mr. GALLINGER. It is a letter of the Secretary of the Treas-

ury to the Congress of the United States.

Mr. GRAY. And written three years before 1873? Mr. GALLINGER. Yes; three years before "the crime of 373" was an accomplished fact.

Mr. GRAY. And it gave three years' notice?
Mr. GRAY. And it gave three years' notice?
Mr. GALLINGER. Yes; it gave three years' notice by the
Comptroller of the Currency communicating the bill to the Congress of the United States, which was prepared by Mr. Boutwell

Dr. Linderman, in his report as Director of the Mint—I do not find in this report the exact language I used, but I will find that later, for I will say to the Senator I looked that matter up very carefully at a time when I had to be exact-Dr. Linderman in 1871 said:

In general, the country's currency must always be, as it has been chiefly in paper redeemable in gold. A perfect domestic money system would seem to be bank or Government notes for large payments, gold coin for occasional use in large or small, silver coins for the fraction of a dollar down to the tenth part, and an inferior alloy for smaller denominations.

That was the opinion of the Director of the Mint when the so-called "crime of 1873" was pending before Congress. Mr. BUTLER. Was that ever laid before Congress?

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Mr. GALLINGER. I do not know.
Mr. BUTLER. That is important.
Mr. GALLINGER. They were official documents communicated to Congress, and if the Senator's friends, or those who sympathized with his views then, and presumably do now, overlooked pathized with his views then, and presumably do now, overlooked this official communication and were ignorant of the fact that Dr. Linderman, the Director of the Mint, and Mr. Knox, the Deputy Comptroller of the Currency, had given notice to Congress three years before "the crime of 1873" was going to be committed by Congress, of course we can not at this late day be held responsible for the culpable negligence of the men who at that time were here.

Mr. BUTLER. It is very important to know whether that was ever laid before Congress and went into the Congressional

RECORD.

Mr. GALLINGER. I do not know about that.
Mr. BUTLER. When the Senator from New Hampshire said
he would look up that wonderful information, of course I realized then, as I do now, that it was immaterial to this discussion. But as I am always anxious to get all the information that is going, I certainly wanted to know whatever the Senator knew that caused him to take such a strange position on this question. It was very anxious indeed to know it, and see how much weight it had, to see on what kind of facts and information he has been misled into taking up the views he holds; but the fact that that statement was in a document, something which was stuck up in the pigeonholes in the document room, is no more evidence that the Senators knew what was being done here in that bill on February 12, 1873, or that the country knew that they were being put on a gold standard, than it is for the Senator to point to the act which passed and say the bill provided for it as it was afterwards published. Nobody denies that the bill itself probably lay on the desks of Senators on that day. So that is no evidence, because the bill itself which was passed was better evidence than that. That document probably never came into the Senate Chamber. If it did, it was never read, as such documents are not usually

The point I make is that Senators on the floor at the time who knew of that document and what it said, and who knew the pro-vision in the act of 1873 which demonstized silver, quietly kept the fact to themselves and never mentioned it on the floor of the enate; they never once said in all the discussion here that this

bill contained that important provision.

But, on the other hand, I have lying on my desk the Congressional Record, with marked extracts. The Senator from Ohio—if I am mistaken I can be corrected—assured the Senate, and the same was done in the other House, that that bill simply made a same was done in the other flouse, that that bill simply made a few minor changes in the mint act, some little minor things which did not make any material difference. It was in a great big report, in a great big document, which nobody could go through except a few men who were specially charged with the duty to do it. Nobody now would attempt to go through 3,000 pages. If you were to codify the laws of this country and the report was brought in and laid on our desks, and if the Senator from New Hampshire was a member of the committee, and the one who did the work were to stand up here and assure the Senate that there the work were to stand up here and assure the Senate that there was nothing important in it, no one here would take the trouble to wade through 3,000 pages to scan every line of it.

Mr. STEWART. If the Senator from North Carolina will allow me, I will call his attention to abundant evidence.

Mr. BUTLER. I have it all here.

Mr. STEWART. To abundant evidence of what those who were present said of that report.

Mr. BUTLER. I have it all lying here. I am coming to that in a minute.

What I wanted to set forth before coming to that was what Senators said afterwards when it was found out by the people. But I will take that up last. What you have claimed to be documentary evidence is no evidence at all, and even less evidence than the bill itself. What I claim is, and what the people claim is, that that bill was not known to contain the provision that demonstried silver. The bill as it came to the Senate did not contain monetized silver. The bill as it came to the Senate did not contain the provision, and the CONGRESSIONAL RECORD does not show the provision, and the Congressional rescould does not show that such an amendment was adopted in open Senate, but it was found in the act after it was a law. What I charge is, that provision was put in by fraud, and that the men who had charge of it never told the truth about it.

Mr. GALLINGER. That must be a serious reflection upon the Senator from Nevada [Mr. Stewart], who was here.
Mr. BUTLER. It would have been no reflection upon the Senator from New Hampshire if he had been here and had accepted the statement of the gentlemen having charge of the bill; but I tell you what you would have done if they had fooled you. You would have done if they had fooled you. would have done as the Senator from Nevada has done since; you would have stood up, when you found out you had been fooled and how the country had been tricked and robbed, and grown indignant and denounced it as a crime, and that is what I think you ought to do now, and I believe you will when I get all the facts

Mr. GALLINGER. I think, if the Senator will go to the speech of the Senator from Nevada, he will find that that Senator uttered very different sentiments from what are now attributed to him.

Mr. STEWART. What is that?
Mr. CHANDLER. If the Senator from North Carolina will allow me, I will say to him that there is a very general desire that he should yield the floor to the Senator from Nevada in order that

me should yield the noor to the Senator from Nevada in order that he may state his views on this subject.

Mr. STEWART. Will the Senator from North Carolina allow me to ask the Senator from New Hampshire a question?

Mr. BUTLER. I will yield in a moment.

Mr. GALLINGER. If the Senator from Nevada will permit me to say so, I will say that I have read some of the most eloquent and conclusive arguments I have ever read anywhere which the Senator has made once in his lifetime while a member of the Senate in favor of the gold standard.

Mr. STEWART. Never.

Mr. GALLINGER. Then I did not understand the Senator's

language.

Mr. STEWART. I have repeatedly stated what that was.

That is a trick of the enemy. Of course we knew nothing about the demonetization of silver when that bill was passed. No word to indicate such a purpose was ever uttered in this Chamber during the time.

to indicate such a purpose was ever uttered in this Chamber during the time.

Mr. GALLINGER. I was going to ask the Senator right there if he had not read Mr. Knox's statement concerning it?

Mr. STEWART. I had not read it. Nobody pays attention to the reading of these public documents. The Senate had not read that. It was not known during the whole of the debate upon this bill from beginning to end. It was never suggested by anyone that there was to be a change in the currency law.

With regard to what I said about the gold standard, it occurred in the debate on the resumption of specie payments. When I need

in the debate on the resumption of specie payments. When I used the word "gold" I meant specie—gold and silver. No distinction had been made; but it had been the popular language on the gold board, and we got in the habit when we meant gold and silver coin of frequently saying "gold." As I said, I was arguing in favor of the resumption of specie payments; that was the bill before us; and I used on one or two occasions the term "gold." They wrenched my language from its context. There was no question in that debate on the bill before the Senate of discriminating for ' or against either metal.

I made that speech, I think, in 1874. It was after that bill had been passed; but nobody then knew its contents. I did not know that silver had been demonetized until after I left the Senate. My term expired in March, 1875. I had no idea that it had occurred. More than that, there were others who had not any idea of it. If the Senator from North Carolina will hand me the RECORD he has, I want to call attention to others who were in company with me in

regard to the same transaction.

The idea that that bill should have been pending here, of such great importance as it was, and that the chairman of the com-

mittee never mentioned the fact that it demonetized silver, is hardly credible, yet such is the fact.

In this connection I may remark that the chairman of the committee who had charge of that bill which demonetized silver visited London in 1867. He then visited Paris. At Paris there was a convention to equalize weights and measures and coins. was a convention to equalize weights and measures and coins. In 1865 the Latin Union was formed which made the coin of five nations a legal tender in each. France, Italy, Greece, Belgium, and Switzerland were parties to it. Louis Napoleon undertook to extend that to all the civilized nations. We had a delegate there, Samuel B. Ruggles, whom I dined with the night before he left, discussing weights and measures and coins. No word was spoken of dropping either one of the coins, but we were in favor of the metrical system, and it was thought that this would facilitate trade. Mr. Sherman, after visiting London, visited Paris, and at Paris he wrote a letter advocating the single gold standard, which was translated into French and printed in the French papers, laid before the Emperor, and also laid before the committee of the conference having the matter in charge. of the conference having the matter in charge.

The conference finally decided in favor of the single gold stand-

The United States and Great Britain made it a condition to entering the union to maintain a common coin that it should be a gold coin. The other nations all protested. There was a long debate. Mr. Ruggles reported it to the United States frequently. France and the other nations finally conceded that it should be a gold coin alone which should be the common coin. The Senator from Ohio came home. He introduced a bill in 1868, adopting the gold standard, with a harmless title, a bill with reference to the coinage. The bill was referred to the Committee on Finance and reported back favorably. Nobody paid any attention to it, no more than they would to any other abstract matter. They did not know what was in it. The title did not indicate it

E. D. Morgan, a Senator from New York, was on the committee. He filed a minority report which set forth the evils which would result from it. But nobody saw the report. It was not called up

for action at all until after Mr. Morgan's time expired. His term

expired in 1869.

Then there was a committee formed in the Treasury Department to codify the mint laws, and John J. Knox was at the head of it; and the extracts I have here are from the report of the committee. An elaborate bill was prepared, codifying the mint laws. It was sent to the Senate and introduced by the Senator from Ohio in the spring of 1870.

Mr. MITCHELL of Oregon. The Senator neglected to state

Mr. MITCHELL of Oregon. The Senator neglected to state that the bill he referred to was never called up in the Senate at all. Mr. STEWART. Yes, it was.
Mr. MITCHELL of Oregon. I think not.
Mr. STEWART. It was called up in January, 1871, and the Senator from Ohio offered an amendment to it. That amendment provided for a seigniorage on coinage, a charge of three-tenths of 1 per cent upon the coinage of gold and silver, and that raised a discussion. It was the only discussion that was had on the bill. It was carried in the Senate as in Committee of the Whole, and when it was reported to the Senate the fight was renewed. It lasted two days, and the amendment was then rejected. The bill. The question that in that codification the silver-dollar coin would

The question that in that codification the silver-dollar coin would be left out was never raised and never known. It went to the House, and in the House it was acted upon. Finally, late in the discussion, after it had been there a year or more, Clarkson Potter discovered that it demonetized silver, that it changed the coinage discussion, after it had been there a year or more, Clarkson Potter cliscovered that it demonetized silver, that it changed the coinage laws, and a very lively discussion arose over it. It was withdrawn by Mr. Hooper from consideration, and some days after that, when Clarkson Potter was not in his seat, a substitute was presented by Mr. Hooper. He asked to have it passed without being read. It was passed without being read. But it raised questions on every side. They asked questions, and the questions and answers occupy two pages. They asked Mr. Hooper if the coinage laws were changed; if those matters which had been discussed were left out. He assured them that every matter that had been discussed and objected to was eliminated from the bill. It came here. It went through the Senate without the attention of anybody being called to it. Nobody, of course, had read the discussion in the House. I had not. It was a codification bill. It passed here without anybody knowing anything about it. Here is the evidence—and it may as well go in—as to how the bill was passed. I read from the Senator from Ohio, Mr. Thurman, who was a most attentive member, observing with great care the proceedings in this Chamber. He was always in his seat, taking part in important legislation. On the 15th day of February, 1878, Mr. Thurman, in the debate, said:

Lean not say what took place in the House, but I know when the bill was resolved in the Academy to the served to the s

Trurman, in the debate, said:

I can not say what took place in the House, but I know when the bill was pending in the Senate we thought it was simply a bill to reform the mint, regulate coinage, and fix up one thing and another, and there is not a single man in the Senate, I think, unless a member of the committee from which the bill came, who had the slightest idea that it was even a squint toward demonstration.—Congressional Record, volume 7, part 2, Forty-fifth congress, second session, page 1064.

In the face of this we are accused of negligence, of participation, because, not being on the committee, not having our attention called to it, we did not stop it. How many things go through here daily coming from the Finance Committee, as to the details of which one-half of the Senate are ignorant? Senator Conkling, in the Senate March 30, 1876, during the remarks of Senator Bogy on the bill (8.236) to amend the laws relating to legal-tender silver coins, in surprise inquired: ver coins, in surprise inquired:

Will the Senator allow me to ask him or some other Senator a question? Is it true that there is now by law no American dollar; and if so, is it true that the effect of this bill is to make half dollars and quarter dollars the only silver coin which can be used as a legal tender—Congressional Record, volume 4, part 3, Forty-fourth Congress, first session, page 2062.

Mr. BUTLER. And that is the first time, as the Congressional Record shows, that any Senator on this floor (except the few who had charge of the bills of 1873 and 1874) had any suspicion that silver had been demonetized. In this connection it is important to note who answered the above question and what the answer was. It was the Senator from Ohio [Mr. Sherman]. What did he say? Here it is:
"I will answer the Senator from New York that since the law

of 1853 the use of the silver whole dollar has been discontinued and none have been issued. That has been so since 1853,"

Mr. Conklin further asked: "Is there power to issue it?"

Senator SHERMAN answered: "There is no power, and has been

none."
It was this answer of Senator Sherman that gave the first direct knowledge to the public that the standard silver dollar of 4194 grains had been destroyed and the unit of value changed. Right here it is highly important that the facts be gotten straight. It is highly important for this Senate and the country to understand that from 1873 until 1876, through all the intervening legislation which had been so important to American industry and to the prosperity or adversity of our people, the fact that the silver dollar of our forefathers had been stealthily destroyed had remained a profound secret. I doubt whether the annals of history none."

can parallel such an instance. This discovery led to inquiry as to how such legislation was made possible, and it is both painful and amusing to read the confessions of our eminent legislators upon the fact that they were absolutely ignorant that silver had been demonetized until the declaration of Senator Sherman that such was the fact. In fact, it was impossible to discover one single individual, who was willing to stand up and become responsible. individual who was willing to stand up and become responsible

such was the fact. In fact, it was impossible to discover one single individual who was willing to stand up and become responsible for the outrage.

And now, if the Senator from Nevada will pardon me, for I see that he is still standing, I will say that, in further answer to the question asked by the Senator from New Hampshire, I intend now to proceed to take up the explanations, every one or as many as time will permit, that the various Senators made on the floor when they found that silver had been demonetized, and expressing their opinion about it and how it was done and the fact that they did not know it. I have all of those facts collected here. They have been put before the Senate by the Senator from Nevada [Mr. Stewart] and by a number of other Senators, but they can not be put before the Senate and have the attention of the country called to them too often, especially in view of the fact that we have a few men, patriotic men, like the Senator from New Hampshire, who want to do what is right and who have been imposed upon. It is important to get the facts before the Senate.

Mr. STEWART. I trust that the Senator from North Carolina will yield to me for a moment before he proceeds, for I can not sit in my seat when the Senator from New Hampshire accuses me of participation in this crime. The Senator from North Carolina will put these other things in.

Mr. GALLINGER. The Senator will permit me. I did not accuse him of participation in a crime. I accused him of participating in what I think was very patriotic action.

Mr. STEWART. Patriotic to rob the people and destroy their money? [Laughter.] A new kind of patriotism. Will the Senator allow me to point out this fact? There is one thing which the Senator may not have observed himself, to which I should like to call his attention.

Mr. BUTLER. Even if the Senator from Nevada had favored the gold standard, he was patriotic enough to change from it, and

Mr. BUTLER. Even if the Senator from Nevada had favored the gold standard, he was patriotic enough to change from it, and am sure the Senator from Iowa does not object to a man chang-

ing his opinion.

Mr. STEWART. The Senator will indulge me for one mo-Mr. STEWART. The Senator will indulge me for one moment. I will not read what numerous Senators have said in regard to the way the bill was put through, when they knew nothing of it. The Senator from North Carolina will do that. But I want to call attention to a little piece of strategy that was played on the passage of the bill. The provision of the bill which demonstrated silver was contained in the sixteenth section. It was an amendment proposed by the Committee on Finance. All the other amendments were considered consecutively and acted upon until the sixteenth section was reached. The sixteenth section was stricken out by the Senate on the recommendation of the committee, but the Globe (the RECORD) does not show that the Senate ever took action on it, or that anything was put in its place by a vote of the Senate. The Globe read thus: the Senate. The Globe read thus:

The Presiding Officer. The question is on the amendment striking out the fifteenth section.

The amendment was agreed to,

The record then skips.

The record then skips.

The next amendment was to strike out section 17, in the following words:

"SEC. 17. That the minor coins of the United States shall be a 5-cent piece, as 3-cent piece, and a 1-cent piece; and the alloy for minor coinage shall be copper and nickel, to be composed of three-fourths copper and one-fourth nickel; the weight of the piece of 5 cents shall be 5 grams, or 7.16 grains troy; of the 3-cent piece, 3 grams, or 46.30 grains; and of the 1-cent piece, 1; grams, or 23.15 grains; which coins shall be legal tender, at their nominal value, for any amount not exceeding 25 cents in any one payment."

And to insert in lieu thereof the following:

"That the minor coins of the United States shall be a 5-cent piece, a 3-cent piece, and a 1-cent piece; and the alloy for the 5 and 3 cent pieces shall be opper and nickel; to be composed of three-fourths copper and one-fourth nickel; and the alloy of the 1-cent piece shall be 95 per cent of copper and 5 per cent of tin and sinc, in such proportions as shall be determined by the birector of the Mint. The weight of the piece of 5 cents shall be 71.16 grains troy; of the 3-cent piece, 30 grains, and of the 1-cent piece, 48 grains; which coins shall be a legal tender, at their nominal value, for any amount not exceeding 25 cents in any one payment."

Mr. Shermann. There is an omission in the matter proposed to be inserted by the committee. I move to insert, in line 11, after the words "25-cent piece," the words "and a dime, or 10-cent piece."

The amendment as amended was adopted.

The next amendment was agreed to.

The next amendment was in section [18] 19, line 9, to insert, etc.

So, in passing the measure through the Senate, section 16, the section which demonstized silver, was not read at the desk, and if read at the desk it was not reported. It was skipped over, and I defy any man to find in all the proceedings in the Senate the slightest allusion to this transaction. The section which has made this country poor was not read at the desk, as all others were, and passed upon. Another necessitarity is that the Senate was full

passed upon. Another peculiarity is that the Senate was full—
Mr. BUTLER. I call the attention of the Senator from New
Hampshire to that, and I want him to help me find in the RECORD

some reference to the passage of the section which demonstized

Mr. GALLINGER. It was printed in the bill.

Mr. BUTLER. But the point the Senator from Nevada makes is that it was not printed in the bill, but that it was an amendment proposed by the committee, and there is no record of it ever being offered in the Senate for action and there is no record of the Senate ever having acted upon it, or of it ever being read at

the Senate ever having acted upon it, or or it ever being read at the desk while the other amendments were being acted upon or upon the final passage of the bill.

Mr. GALLINGER. The Senators could not read.

Mr. BUTLER. They proceeded to act section by section—
Mr. GALLINGER. Does the Senator from Nevada charge that the Clerk, who was acting under his oath of office—
Mr. STEWART. I charge that it was not read. I charge not be dead of the Record that it was omitted.

I charge, according to the RECORD, that it was omitted; that it was an amendment which was not read, but which afterwards appeared in the law which demonetized silver.

Mr. GALLINGER. I will ask the Senator if it was not in the

Mr. STEWART. No; it was not in the bill that lay on Senators' desks that day; it was a proposed amendment of the com-

mittee.
Mr. GALLINGER. And it had been printed, I suppose?
Mr. STEWART. Yes; it had been printed.
Mr. GALLINGER. Very well. I do not see who was deceived or imposed upon. It seems to me that if Senators could read in those days—I do not know how that may have been—they could not have been imposed upon in that manner.
Mr. STEWART. How many bills are there where the Senator

New Hampshire follows the amendments that are printed and thrown aside? Do you get the amendments? No; you rely upon their being read at the desk. They are read very carefully, sometimes repeatedly. When you have a bill under consideration you rely on the desk for information as to amendments which are being passed upon.

Mr. GALLINGER. I should like to ask the Senator what

proof he has that the amendment never was read at the desk?

Mr. STEWART. Because it is not reported as all other amend-

Mr. BUTLER. The Reporter takes down everything that is read

Mr. STEWART. He takes it down, and he has plenty of time to take down an amendment, if it is read. It does not appear in

to take down an amendment, if it is read. It does not appear in the Globe. It was omitted.

Mr. BUTLER. Now, this one very important fact is fixed beyond controversy, and we have the CONGRESSIONAL RECORD, or rather the Globe, as it was then called, for the proof. So now, if the Senator from Nevada will excuse me, I propose to show by the RECORD that when the specie resumption act of 1875 was passed Congress and the country did not know that silver had been demonetized, and I will prove this by the discussion that took place on this floor while that act was under consideration. I will also show that Congress would never have passed the act of 1875 also show that Congress would never have passed the act of 1875

if the fact had been known. Next, I propose to show by the testimony of Senators who, as soon as they discovered that silver was demonetized by the acts of 1873 and 1874, stood here in their places, whom we all know to be patriotic, wise, careful, and diligent—that they stood here and testified that they did not know that any such provision was contained in the act which was passed

This specie resumption act of January 14, 1875, was introduced early in December, 1874, was briefly discussed in both Houses, but not a single reference was made to the fact that silver as one of the money metals had been destroyed. But, to the contrary, there is ample evidence that the fact of silver being demonetized was entirely unknown save to the few conspirators who manipulated that crime; that this act of specie resumption never could have become a law with the full knowledge of the destruction of silver is clearly proven by the passage of the Bland Act, and the Stanley Matthews resolution of 1878, which followed its discovery. This act was reported from the Committee on Finance by Senator Sherman on December 22, 1874, and after less than three hours' debate it was passed. It went to the House, where, on January 7, 1875, it was called up, and after being read was passed with even less debate than in the Senate.

In this hurried manner one of the most important, if not the most important, financial bill that ever passed any Congress was rushed through. During the brief discussion, however, in the Senate, we find a number of expressions which go to show that no one in this Chamber, save perhaps those who were managing the bill, knew or imagined that silver as money had been destroyed. It would be proper here to say that the present Senator from Ohio [Mr. Sherman] had full charge of this bill. Senator Schurz, in the course of a few remarks, said:

The matter which I want to consider so as to give an intelligent vote is whether under present circumstances we can issue silver and keep it in cir-

culation, or whether the circumstances aurrounding us to-day or liable to surround us to-morrow are not such as will make it probable that silver put out will be melted into bullion and sent abroad.

The very fact that all the silver being coined at that time exepting the trade dollar was worth less than 100 cents in any market is conclusive evidence that Senator Schurz was not alluding to subsidiary coin. In discussing the bill, Senator Bayard, in objecting to some of its features, said:

It is to contract your paper currency until you shall have such a volume that gold and silver, the money of the world, shall flow into the country to swell the combined volume of paper and coin again.

Senator Hamilton also declared in the course of the debate:

The idea that this American Republic, this great country extending from the Atlantic to the Pacific, a gold producing and silver producing country, should at this day be paralyzed in all its industries, its shipping interests, its manufacturing interests, its agricultural interests, all going to the ground, mainly, if not altogether, from the fact that we have not a competing currency with the world, is insupportable.

Certainly none of these men knew that silver had been demonetized. But perhaps the most positive proof that this bill was passed without the knowledge that silver had been destroyed may be found in the special message sent to Congress January 14, 1875. by President Grant when he signed the bill. After making some suggestions as to providing for specie resumption, he said:

In brief, President Grant recommended the establishment of mints at Chicago, St. Louis, and Omaha for the coinage of silver money in order to provide for this resumption act.

Not only this, but eight months after the passage of the bill

President Grant wrote a letter to Mr. Cowdrey, which shows that he was still ignorant of the fact that silver had been demonetized. The following is an extract from that letter:

The following is an extract from that letter:

The panic has brought greenbacks about to a par with silver. I wonder that silver is not already coming into the market to supply the deficiency in the circulating medium. When it does come, and I predict that it will soon, we will have made a rapid stride toward specie payments. Currency will never go below silver after that. The circulation of silver will have other beneficial effects. Experience has proved that it takes about forty millions of fractional currency to make small change necessary for the transaction of the business of the country. Silver will gradually take the place of this currency, and, further, will become the standard of values, which will be hoarded in a small way. I estimate that this will consume from two to three hundred millions, in time, of this species of our circulating medium.

It will leave the paper currency free to perform the legitimate functions of trade and will tend to bring us back where we must come at last to a specie basis. I confess to a desire to see a limited hoarding of money. It insures a firm foundation in time of need. But I want to see the hoarding of something that has a standard of value the world over. Silver has this, and if we once get back to that our strides toward a higher appreciation of our currency will be rapid. Our mines are now producing almost unlimited amounts of silver, and it is becoming a question, "What shall we do with it?" I suggest here a solution that will answer for some years, and suggest to you bankers whether you may not imitate it: To put it in circulation now; keep it there until it is fixed, and then we will find other markets.—McPherson's Handbook of Politics for 1874, pages 134 and 133.

This, supplemented with the fact that such champions of the free coinage of silver as the Hon. Richard P. Bland is recorded as not voting against the bill, ought to be sufficient evidence to every fair-minded man that it was passed without the knowledge that silver had been destroyed as one of the mo

silver had been destroyed as one of the money metals of this country. Imagine, for a moment, the real situation and the amount of scheming and plotting that it had required to bring about the final and successful action upon this bill. President Grant had signed February 12, 1873, the act which prohibited the further coinage of the standard silver dollar. On June 22, 1874, he had signed another act which completely demonetized that silver dollar, and now, on January 14, 1875, he signs still another act to bring about specie resumption, and on that date sends to Congress a special message urging the establishment of two or more mints for the avowed purpose of coining these silver dollars which by his own acts he had previously destroyed. Such ignorance and want of ordinary care fails to inspire the political student of the present time with any marked degree of confidence in dent of the present time with any marked degree of confidence in American legislation, except where the people are so thoroughly aroused that their representatives are as vigilant as their enemies. This act of 1875 was the most destructive in its final inter-pretation of any act which has passed Congress during the last quarter of a century.

It is this act which has kept sequestered in idleness in the vaults of our National Treasury one hundred millions in gold, upon which the people have been paying interest at the rate of 4 and 41 per cent for bonds sold to obtain this vast hoard for the past twenty years. It is this bill that vitalized the act of 1870, and the still more infamous act of 1873. It is this bill, or rather the interpretation placed upon some of its provisions, under which the President of the United States claims the right to issue bonds to-day. It is under this act that he has issued two hundred and sixty-two millions of interest-bearing bonds in times of peace—issued them under questionable authority, issued them at less than their market value under questionable circumstances and conditions to say the least, and issued them under the nose of Congress; issued them last year with a Democratic Congress sit-ting in these Halls; issued them again this year with a Republican Congress sitting in these Halls, with the country indignant at the outrage, with a majority of members privately criticising his action; and yet no bill has been offered by either Democrat or

Republican to stop it.

It is this act, under the construction of the present Administration, which makes possible the so-called "endless chain," which is used to furnish speculators with gold from the United States Treasury whenever they so desire. In fact, this act, which was the crowning infamy of a series of infamous legislation, was conthe crowning infamy of a series of infamous legislation, was consummated and successfully placed upon the statute book by the deepest fraud and deception. These United States bonds, which had been purchased at such a ruinous discount, were made payable in gold alone through the several acts which I have stated, each having been passed through both Houses of Congress and signed by the President without the knowledge that they contained provisions which destroyed silver as one of the money metals of this country and made our entire national indebtedness payable in gold alone, which has doubled the debt. This want of information as to the real status of the silver dollar was at last given to the public through an incident in a debate in this Chamber. During a discussion of a bill concerning the trade dollar on March 20. ing a discussion of a bill concerning the trade dollar, on March 30, 1876, Senator Conkling said, in speaking to Senator Bogy:

Will the Senator allow me to ask him or some other Senator a question? Is it true that there is now by law no American dollar; and if so, is it true that the effect of this bill is to make half-dollars and quarter-dollars the only silver coin which can be used as a legal tendor?

This was referred to and read a few moments ago by the Sena-tor from Nevada [Mr. Stewart], and in the same connection, it will be remembered, I called attention to the fact that it was the Senator from Ohio [Mr. Sherman], who made haste to reply. The reply of the Senator, which I read, was the first information that silver had been demonetized.

Now, let us see what other Senators said on this floor about the

matter.

Senator Allison, on February 15, 1878, when the bill (H. R. 1993) to authorize the free coinage of the standard silver dollar and to restore its legal-tender character was under consideration, observed:

But when the secret history of this bill of 1873 comes to be told, it will disclose the fact that the House of Representatives intended to coin both gold and silver, and intended to place both metals upon the French relation instead of on our own, which was the true scientific position with reference to this subject in 1873, but that the bill afterwards was dectored, if I may use that term, and I use it in no offensive sense, of course—

Mr. Sargent interrupted him and asked him what he meant by the word "doctored."

Mr. ALLISON said:

I said I used the word in no offensive sense. It was changed after discussion, and the dollar of 430 grains was substituted for it.—Congressional Record, volume 7, part 2, Forty-fifth Congress, second session, page 1058.

On February 15, 1878, during the consideration of the bill above referred to, the following colloquy between Senator Blaine and Senator Voorhers took place:

Senator Voorhees took place:

Mr. Voorhees I want to sak my friend from Maine, whom I am glad to designate in that way, whether I may call him as one more witness to the fact that it was not generally known whether silver was demonetized. Did he know, as Speaker of the House, presiding at that time, that the silver dollar was demonetized in the bill to which he alludes?

Mr. Blane. I did not know anything that was in the bill at all. As I have before said, little was known or cared on the subject. [Laughter.] And now I should like to exchange questions with the Senator from Indiana, who was then on the floor and whose business it was, far more than mine, to know, because by the designation of the House I was to put questions; the Senator from Indiana, then on the floor of the House, with his power as a debater, was to unfold them to the House. Did he know?

Mr. Voorhees. I very frankly say that I did not.

(Did., page 1968.)

Senator Beck, in a speech made in the Senate January 10, 1878,

It [the bill demonetizing silver] never was understood by either House of Congress. I say that with full knowledge of the facts. No newspaper reporter—and they are the most vigilant men I ever saw in obtaining information—discovered that it had been done. —Congressional Record, volume 7, part 1, Forty-fifth Congress, second session, page 200.

Senator Hereford, in the Senate, on February 13, 1878, in dis-cussing the demonetization of silver, said:

So that I say that beyond the possibility of a doubt (and there is no disputing it) that bill which demonstized aliver, as it passed, never was read, never was discussed, and that the chairman of the committee who reported it, who offered the substitute, said to Mr. Holman, when inquired of, that it did not affect the coinage in anyway whatever.—Ibid., page 889.

Senator Howe, in a speech delivered in the Senate on February 5, 1878, said:

Mr. President, I do not regard the demonstration of silver as an attempt to wrench from the people more than they agree to pay. That is not the crime of which I accuse the act of 1873. I charge it with guilt compared with which the robbery of two hundred millions is venial.—Congressional Record, volume 7, part I, Forty-fifth Congress, second session, page 784.

Mr. President, these are some of the expressions of Senators. New, let us see what Congressmen and public men said on the floor of the House and elsewhere at that time.

The first witness I will introduce is Mr. Kelley, of Pennsylvania, who had charge of the bill. In a speech made in the House of Representatives on March 9, 1878, he said:

Representatives on March 9, 1878, he said:

In connection with the charge that I advocated the bill which demonstized the standard silver dollar, I say that, though the chairman of the Committee on Coinage, I was ignorant of the fact that it would demonstize the silver dollar or of its dropping the silver dollar from our system of coins, as were those distinguished Senators Messrs. Blaine and Voornees, who were then members of the House, and each of whom a few days since interrogated the other: "Did you know it was dropped when the bill passed?" No," said Mr. Blaine, "did you?" "No," said Mr. Voornees. I do not think that there were three members in the House that knew it. I doubt whether Mr. Hooper, who, in my absence from the Committee on Coinage and attendance on the Committee on Ways and Means, managed the bill, knew it. I say this in justice to him.—Congressional Record, volume 7, part 2, Forty-fifth Congress, second session, page 1865.

Again, on May 10, 1879, Mr. Kelley said:

Again, on May 10, 1879, Mr. Kelley said:

All can say is that the Committee on Coinage, Weights, and Measures, who reported the original bill, were faithful and able, and scanned its provisions closely; that as their organ I reported it; that it contained provision for both the standard silver dollar and the trade dollar. Never having heard until a long time after its enactment into law of the substitution in the Senate of the section which dropped the standard dollar, I profess to know nothing of its history; but I am prepared to say that in all the legislation of this country there is no mystery equal to the demonetization of the standard silver dollar of the United States. I have never found a man who could tell just how it came about or why.—Congressional Record, volume 9, part 1, Forty-sixth Congress, first session, page 1231.

Mr. Holman, in a speech delivered in the House of Representatives July 13, 1876, said:

I have before me the record of the proceedings of this House on the passage of that measure, a record which no man can read without being convinced that the measure and the method of its passage through this House was of "colossal swindle." I assert that the measure never had the sanction of this House, and it does not possess the moral force of law.—Congressional Record, volume 4, part 6, Forty-fourth Congress, first session, appendix, page 183.

Again, on August 5, 1876, he said:

Again, on August 5, 1876, he said:

The original bill was simply a bill to organize a bureau of mines and coinage. The bill which finally passed the House and which ultimately became a law was certainly not read in this House.

It was never considered before the House as it was passed. Up to the time the hill came before this House for final passage the measure had simply been one to establish a bureau of mines; I believe I use the term correctly now. It came from the Committee on Coinage, Weights, and Measures. The substitute which finally became a law was never read, and is subject to the charge made against it by the gentleman from Missouri [Mr. Bland], that it was passed by the House without a knowledge of its provisions, especially upon that of coinage.

I myself asked the question of Mr. Hooper, who stood near where I am now standing, whether it changed the law in regard to coinage. And the answer of Mr. Hooper certainly left the impression upon the whole House that the subject of the coinage was not affected by that bill.—Congressional Eccord, volume 4, part 6, Forty-fourth Congress, first session, page 527.

Mr. Cannon, of Illinois, in a speech made in the House on July

Mr. Cannon, of Illinois, in a speech made in the House on July 13, 1876, said:

This legislation was had in the Forty-second Congress, February 12, 1873 by a bill to regulate the mints of the United States, and practically abolished silver as money by failing to provide for the coinage of the silver dollar. It was not discussed, as shown by the RECORD, and neither members of Congress nor the people understood the scope of the legislation.—*Ibid.*, Appendix, page 197.

Mr. Burchard, of Illinois, in a speech made in the House of Representatives on July 13, 1876, said:

The coinage act of 1873 unaccompanied by any written report upon the subject from any committee, and unknown to the members of Congress, who without opposition allowed it to pass under the belief, if not assurance, that it made no alteration in the value of the current coins, changed the unit of value from silver to gold.—*Ibid.*, page 4500.

General Garfield, in a speech made at Springfield, Ohio, during the fall of 1877, said:

Perhaps I ought to be ashamed to say so, but it is the truth to say that, I at that time being chairman of the Committee on Appropriations, and having my hands overfull during all that time with work. I never read the bill took it upon the faith of a prominent Democrat and a prominent Republican, and I do not know that I voted at all. There was no call of the yeas and nays, and nobody opposed that bill that I know of. It was put through as dozens of hills are, as my friend and I know, in Congress, on the faith of the report of the chairman of the committee; therefore I tell you, because it is the truth, that I have no knowledge about it.—Congressional Record, volume 7, part 1, Forty-fifth Congress, second session, page 989.

Mr. Rright, of Tennessee, said of the law:

Mr. Bright, of Tennessee, said of the law:

Mr. Bright, of Tennessee, said of the law:

It passed by fraud in the House, never having been printed in advance, being a substitute for the printed bill; never having been read at the Clerk's desk, the reading having been dispensed with by an impression that the bill made no material alteration in the coinage laws; it was passed without discussion, debate being cut off by operation of the previous question. It was passed, to my certain information, under such circumstances that the fraud escaped the attention of some of the most watchful as well as the fauld smells to heaven. It was a fraud that smells to heaven. It was a fraud that will stink in the nose of posterity, and for which some persons must give account in the day of retribution.—Congressional Record, volume 7, part 1, second session Forty-fifth Congress, pages 584.

Here are the unqualified acknowledgments of eminent stateshere are the unqualined acknowledgments of eminent states— men that certain laws upon our statute books were placed there by fraud, stealth; that they were never knowingly acted upon by Congress, or in any manner were a part of the legislation of any Congress; yet, in the face of all this, every effort to rectify this wrong, to set aside this fraud, or to relieve the people from the baneful effects of this statutory monstrosity, has been met with the most vicious resistance by the beneficiaries of these frauds and their advocates and abettors in both Houses of Congress.

Mr. President, was there ever an occurrence more strange or remarkable than this in the legislative history of this or any other country? Was there ever before passed as a law a measure of such tremendous and far-reaching results without the knowledge of the legislators? Has there ever before been slipped through such an important and dangerous measure, that has been so indignantly denounced by so many of the legislators and public men as a fraud and a crime, yet which continued to remain on the statute books with all the force and effect of law in spite of its paralyzing and poverty-breeding results for more than twenty

Mr. President, it is not only strange, but it is monstrously strange. Three-fourths of the American people demand that this fraudulent act be wiped from the statute books; yet for twentythree years this fraud and this crime and its perpetrators have flourished, while the people have grown poorer, business has be-come stagnated and paralyzed, and the Government itself is on

come stagnated and paralyzed, and the Government itself is on the verge of bankruptcy.

If there were sitting in the gallery of the Senate to-day a stranger from a foreign land who was not familiar with our political con-ditions, he would ask. "How is such a thing possible in a free government where each man has a vote and where the will of the people as expressed at the ballot box is the supreme law?"

There may be such a man now in the sullary as I will a relative

There may be such a man now in the gallery, so I will explain it to him. It has happened in this way: In this country, until very recently, every voter has been bound and tied as a slave—a party slave—to one of the two old political parties. Each one of these parties had bound to them about the same number of slaves these parties had bound to them about the same number of slaves or voters. The masters or party leaders (as we call them) of these slaves have taught them that their greatest enemies were the poor slaves in the other party, and therefore that their highest patriotic duty was to beat the other slaves and to see to it that their own

masters were placed in power.

These masters or party leaders not only took for themselves all the offices when they won, but they also accepted large campaign funds from the few gold gamblers and speculators who had been benefited and made immensely rich by the passage of this fraudulent law. Hence this fraudulent law has remained upon the statistic back but he convenience with the passage of the statistic law. ute books by the connivance and treachery of these masters or party leaders of both old parties, while their slaves have grown poorer each year and been bled and robbed by these money changers

poorer each year and been bled and robbed by these money changers and gold sharks.

But you ask, "Why do not these slaves or voters rebel against such false and treacherous leadership?" The answer is, because the slaves are not organized, and therefore can not act in unison and concert. If one slave rebels, he has nowhere to go but over into the ranks of the other slaves. He simply changes masters and is still a slave and has no better master. Several hundred thousand of these slaves have been doing this very thing every election for the last twenty years and hence first one set of masthousand of these slaves have been doing this very thing every election for the last twenty years, and hence first one set of masters or party leaders have gone into power and then the other. But the result each time has been the same. Everything has continued to go from bad to worse. It has proven to be a case of jumping from the frying pan into the fire.

But you ask, "Why, do not these voters on both sides rebel at the same time, come together, assert their independence, and form a party of their own?"

That is just what they are now doing. They are rebelling from

That is just what they are now doing. They are rebelling from both sets of masters. They are coming together and forming a great and grand People's Party, and now there is for them hope in the near future. They will soon wipe out this fraud of 1873. They will wipe out many other crimes that these false and treacher They will wipe out many other crimes that these false and treacherous old-party masters have placed upon the statute books to rob the people for the benefit of the few. They will break down class legislation; they will provide for equal justice to all and special privileges to none. They will stop falling prices and restore prosperity to every laborer and to every honest industry.

As soon as this fraud of 1873 was discovered by the people in the year 1876, indignation ran high, and they determined to wipe out the crime through the instrumentality of one of the old parties. They elected a Congress in 1878 pledged with a large majority to repeal the demonetizing act and to restore the money of the Constitution.

stitution

stitution.

The House of Representatives promptly passed a free-coinage bill and sent it to the Senate, but here the bondholders again succeeded in partially defeating the will of the people. The senate doctored the measure until it was only a shadow of its former self. Instead of the free coinage of silver bill, the Bland-Allison Act, providing for coining only a limited amount of silver by purchase, was passed. Thus the will of the people was defrauded by the Bland-Allison Act, which did not wipe out the crime of 1873, but which simply gave to silver a limited coinage under unfavorable conditions, and, besides, there was an exemption clause stuck in the Bland-Allison Act which almost entirely destroyed its limited good purposes and which has been of material help to the gold men. purposes and which has been of material help to the gold men.

Under that section of the Bland-Allison Act, the provision allowing gold notes and mortgages, the gold sharks and usurers have plastered this country, and the same gold-exception clause is in force to-day. All of the act that was good has been repealed; the bad is left on the statute books. When the Senator from Iowa [Mr. GEAR] sent the bill to his constituent at home in 1890, and told him that it was not so good as he wanted, he did not know then, as strong as he was then for free coinage, that it provided for appreciating gold and depreciating silver. The Senator states in his letter which I have here that that bill would cause silver to rise,

and he hoped it would go to par.

Mr. GEAR. It did, I believe.

Mr. BUTLER. It did rise for a short while only, but just as soon as the gold notes and mortgages which were provided for began to operate and the gold sharks had time to plaster this country with them, just so soon did the disparity begin to appear, and here therefore.

country with them, just so soon did the disparity begin to appear, and has almost steadily grown greater each year.

The people saw that they were defrauded by the Bland-Allison Act, so again in 1890 they rose up in arms with their ballots and elected another Congress pledged to completely wipe out the crime of 1873 and to restore silver to its constitutional place as legal-tender money on equal footing with gold. This time the Senate promptly passed a full free-coinage bill by a majority of 17, and sent it to the House.

The House had a large majority favoring the measure, but he

The House had a large majority favoring the measure, but before it could be brought to a vote the bondholders and the bankers again got in their work. The party leaders in a Republican House, with the use of the party lash and with the use of Execu-House, with the use of the party lash and with the use of Executive patronage, with the cooperation of their co-conspirators in the Senate, framed as a substitute a bastard bill known as the Sherman Act. Under the whip and spur of the party lash this act of 1890 was passed, which, instead of restoring silver as the people demanded, instead of improving on the Bland-Allison Act of 1878, as Congress was pledged to do, it actually struck another death blow to silver and resulted in a still greater triumph for the gold monopoly. Again the people were betrayed in the House by those elected as their friends. The indignation of the people against this cowardly makeshift, this latest crime in the galaxy of crimes. this cowardly makeshift, this latest crime in the galaxy of crimes, had no avail

Mr. GEAR. I believed the Sherman law would perhaps raise silver to par. Silver did advance under that act at first, but then it began to go down, and the Republicans joined with the Democratic party to repeal that law, because they thought it was doing

detriment to the country.

Mr. BUTLER. I will come to that in a minute; but did not the Senator know that that act could not bring back parity as long as the exception clause was in the law, permitting gold notes and mortgages payable in gold alone? Does he not know that that act is one of the most potent agents in the fall of prices and the appreciation of gold, to say nothing of treating silver as a commodity and denying it free coinage as gold has? Nothing but the purchasing clause of the Sherman Act was repealed. The gold exception clause and the infamous "parity clause" are still in force.

Would the Senator set aside the law of contracts? Mr. CHARL. Would the Senator set aside the law of contracts Mr. BUTLER. This Congress has the power to say to-morrow that there shall not be another gold note or a gold contract made in this country. I would not violate past contracts, but I would make them unlawful in the future if they call for payment in any particular or special kind of the lawful moneys of the United states. Every contract or obligation should be payable in any kind of lawful money.

Mr. HILL. Mr. President—

The PRESIDING OFFICER (Mr. Pugh in the chair). Does the Senator from North Carolina yield to the Senator from New

Mr. BUTLER. Not if the Senator wishes to move to adjourn. I desire to conclude my remarks this afternoon, and I am now nearly through.

Mr. President, when I was interrupted I had just shown how the bondholders had defeated the free-coinage bill in 1890 and put in its place the Sherman law, which was even worse than the Bland-Allison Act. It not only contained the fatal gold exception, but it reduced silver to a commodity, and provided for coining en a smaller amount.

But the greed of the bondholder was still unsatisfied, and he set about to control the nominee of both old parties in 1892, as he is now doing to control them in 1896, for the purpose of wiping out the last feeble resistance to the sway of the bondholders. Grover Cleveland and the Democratic party were this time the chosen agents for the deed. But in spite of the fact that the gold men controlled the nominee for the Presidency, the people, determined upon putting free coinage in the place of the Sherman Act, elected a Congress pledged to the free coinage of silver; but again, by the use of patronage and the party whip, this majority for the people was turned, in the special session of 1893, into a majority for the What a humiliating, what an alarming spectacle! bondholders.

And thus we stand to-day, with the mints of the United States closed to silver, with the people bound in the gold standard, with the Administration paying the debt of the country in a gold dollar three times more valuable than the Government promised to pay, with a Government not satisfied with this, but piling up more bonds under the fraudulent act of 1875 to be paid in still dearer dollars by future generations. Not only this, but every debtor forced to pay his debts in a constantly appreciating currency, while his labor and products constantly diminish in price measured in this unsound and dishonest gold standard. When shall this be stopped? If this Congress can not wipe out the crimes that have been committed, will it not at least raise the legislative arm of the Government and stop the Executive from piling up more debt upon the already outraged, oppressed, poverty-stricken, overburdened people? dened people?

This bill does not ask for much in behalf of the people of America; it does not even ask for the righting of past wrongs; it simply asks that no more crimes be committed upon the people. The burdens they have now are too grievous to bear. Shall the pillaging go further? Will either party raise its hand to stop it? The People's Party stands with six votes in this body to give either side a majority, or to join with patriots from both sides against the goldites to stay the hand of the gold thief and the bond grab-

ber.

If you do not pass this bill you can not go into the next campaign and fool the people by telling them that you and your party are opposed to these infamous bond deals.

Let us pass this bill at once and send it to the other House for their action before we adjourn Congress. Notice the reports from the Treasury Department every morning. Over a million of dolars of gold is being now daily drawn from the Treasury under the "endless-chain" process and shipped to Europe to satisfy the demands of the ever unsatisfied gold ring. The President refuses to exercise the option vested in him by law to stop this raid, but he yields the option of the Government and bows to the demands of these foreign gold sharks. If we do nothing, bonds will be issued before Congress meets next December and more debt will be heaped upon the backs of an already overburdened and outraged people. Let us pass this bill and put a stop to such folly, to such madness, and to such crimes against the people.

Against Independent Free Coinage of Silver.

SPEECH

HON. ROBERT J. GAMBLE.

OF SOUTH DAKOTA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 21, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bili (H. R. 6119) authorizing the appointment of a nonpartisan commission to collect information and to consider and recommend legislation to meet the problems presented by labor, agriculture, and capital—

Mr. GAMBLE said:

Mr. Chairman: My remarks may not in all respects be germane to the subject now under consideration, but I desire at this time to ask the indulgence of the committee to a question that, time to ask the indulgence of the committee to a question that, in my judgment, seriously concerns every interest of labor, agriculture, and capital. After the subject has been so ably and exhaustively discussed by so many of the distinguished leaders upon either side in the present Congress, it may seem presumptuous in me at this time to claim your attention. Sufficient reasons to myself, however, justify me in asking recognition and expressing myself unreservedly upon the question of the independent, free, and unlimited coinage of silver by the United States at the ratio of 16 to 1. Such a discussion in every aspect is immediately concerned with the interests involved in the pending measure.

It is not my purpose to enter at large upon the history or phi-

cerned with the interests involved in the pending measure.

It is not my purpose to enter at large upon the history or philosophy of money. Its history and important functions have already been traversed by those more competent to illumine this great subject with the product of their research and the statement of their argument. It is sufficient to say that money has been one of the most potent factors in civilization, and probably next to language itself has been "the greatest instrument of association" amongst the peoples of the world. "Its certain and steady influence upon all the forces of organized society for good or ill during the history of the race makes it especially important that in the closing years of the nineteenth century no step be taken in the closing years of the nineteenth century no step be taken

involving such vast consequences without due regard to the history of mankind or an enlightened judgment from the world's

I will confine myself to a more practical view of present condi-tions, the causes for their existence, and the duty of the Govern-ment in remedying existing evils, whatever they may be.

HOUSE REVENUE AND BOND MEASURES

Very early in the present session, and before this House was fully organized for the proper transaction of business by the appointment of its committees, the President, on December 20, 1895, communicated to Congress, requesting that it—

Grant prompt aid, as it alone had the power to give, to prevent in a time of fear and apprehension any sacrifice of the people's interest and the public funds, or the impairment of the public credit in an effort by executive action to relieve the dangers of the present emergency.

The report of the Secretary of the Treasury at that time showed that during the fiscal year ended June 30, 1894, there was a deficiency of \$09,803,200.58; for the year ended June 30, 1895, \$42,805,223.18; and from the last-mentioned date to December 1, 1895, \$17,613,539.24; making an existing total deficiency of \$130,222,023. At the end of the present fiscal year it will amount to over \$140,

Oto, 000.

The Republican majority of this House promptly and patriotically responded to the President's appeal, and within one week from the receipt of the message, by a decisive vote, passed House bill No. 2749, entitled "A bill to temporarily increase revenues to meet the expenses of the Government and provide against a deficiency." It was in no sense a Republican measure, but was born of the exigencies of the Government and to protect the integrity of the Treasury. The measure was only intended to be temporary, and by the limitations of its provisions would have expired, had it been enacted into law, on the 1st day of August, 1898.

It is idle to claim that the provisions of the measure were in all respects satisfactory to the Republican membership of this House. But, with a hostile Executive to confront, it would have been a disregard of the business interests of the country to have consumed

disregard of the business interests of the country to have consumed disregard of the business interests of the country to have consumed the public time in the preparation of a measure strictly in line with Republican principles, well knowing, even if it met the sanc-tion of the coordinate branch of the legislative department of the Government, it was sure to receive the disapproval of the Presi-dent. Any other course than the one pursued would have added a still greater uncertainty and placed a still heavier burden upon the business disturbance without any prospect of compensation or relief

It was admitted that the measure prepared would have added to our depleted revenues an annual increase of exceeding \$40,000,000. It would have placed the Government in time of peace in a position so that it could meet its engagements without negotiating bond sales, or conducting itself as a spendthrift—living beyond its income—a condition in our business affairs that ought to bring a blush to every self-respecting citizen of the Republic. The Republican majority of this House, in answering the President's appeal, did not stop with the passage of the revenue bill. On the 28th day of December, 1895, to more surely protect the credit of the Government, it passed House bill No. 2904, entitled "A bill to maintain and protect the coin-redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue." It was admitted that the measure prepared would have added

porary deficiencies of revenue."

By the courtesy of the House I was permitted to express my approval of the bill, when it was pending for consideration, and summarized my conclusions thereon, in part, as follows:

The bill is no departure from Republican doctrine, but simply supplements the present statute, leaving all existing provisions in full force upon

The bill is no departed the ments the present statute, leaving all existing provisions in the rate of the subject.

The provisions are all in favor of the Government, making the rate of interest lower and the time for which the bonds are to run much shorter. It will preserve the gold reserve for the use which the original law contemplated, and prevent it from being wantonly diverted to replace the deficiencies in the revenues.

This bill was returned by the Senate with a free-silver substi-tute, and on the 14th day of February last was nonconcurred in by this body by the decisive vote of 215 to 90.

REPUBLICANS OF SOUTH DAKOTA ON SILVER IN 1994.

In obedience to the following resolution of the convention by which I was nominated, my vote upon the proposition was recorded in the affirmative:

We favor the use of both silver and gold as money, at a ratio of 16 to 1, confining the coinage of silver to the American product at the net cost of the actual expense of coinage; and we domand that silver as well as gold shall be a legal tender for the payment of all debts, both public and private; and we pledge the Congressional nominees of this convention to support the principles herein contained.

Since that time, however, the Republicans of my State have spoken upon this question, in their convention recently held, and I am released from the obligations of that instruction. It is the highest gratification to me that henceforth I am permitted to follow my own judgment upon this important subject, guided by the declarations of the national platforms, and as interpreted by the great leaders of the party. I acknowledge the right of a convention to bind by affirmative expression its candidates upon any legitimate issue, and the Representative who would willfully violate such an instruction is unworthy of public confidence. In principle I was and am opposed to the Senate substitute to the bond measure of the House. If I misunderstood my obligation I am willing to accept the fullest responsibility. If I erred in the construction of my duty under the resolution I. meant it should be against my bias as well as my inclinations. To me it seemed plain I could not in good faith take any other course under the conditions existing. I could not with propriety, when the question was pending, speak one way, in harmony with my convictions, and vote another, according to the instructions. In my remarks upon the coin redemption fund I endeavored to show that the real seat of the present trouble is largely, if not

show that the real seat of the present trouble is largely, if no wholly, due to a false economic policy, insisted upon by the Democratic party, in the face of overwhelming facts, as well as the logic of the present unfortunate condition of our industrial and commercial interests. As shown by the official records of the Government, the net loss in trade balance of the United States

Government, the net loss in trade balance of the United States has been enormous during the operation of the Wilson-Gorman tariff as compared during a like period with the McKinley law.

I feel justified in making these preliminary observations for the reason I believe the subject of the tariff, as well as Democratic maladministration, alike project themselves into this discussion, and that the tariff is the controlling question for wise and conservative legislation. The reversal of the tariff policy of the Government, in my judgment, brought about the unfortunate condition in our financial operations, which heretofore did not manifest itself under Republican legislation. itself under Republican legislation.

"THE CRIME OF '78.

It is a favorite prelude to many of the advocates of free and unlimited coinage of silver to revert to the "crime of "73." For my part, I am not so much concerned as to the manner of the passage of that act as I am with the mighty changes that have been wrought in our own and in the world's history during the period intervening, and especially in its great industrial, commercial, and monerelations. I trust I am candid enough at the outset to admit that, in my judgment, a great mistake was committed by demon-etizing silver, not alone by this Government, but practically by the whole of Europe. I believe it ought to be restored, and in due time will be by international action. Could the hands be turned back upon Time's dial, and could we stand in the presence of the back upon Time's dial, and could we stand in the presence of the conditions then existing, I would favor undoing what was then done. But now we are confronted by changed conditions that are not lightly to be reduced by speculation or theory, or by bold denunciation or declamation. It sounds well to assert the necessity for a new "declaration of independence," and an absolute freedom in our commercial and monetary systems. It is a matter for just pride to proclaim that, although we are the youngest among the great powers of the world, we are the greatest in population, in wealth, in the producing power of labor, in the product of our manufactories, in physical resources, and in all the potential powers of development and growth.

It is well, however, to remember that a nation, like an individual, does not live unto itself alone. Our commerce and exchanges have a world-wide relation. We stand associated, in spite of legislation and of boundary, to the great governments of the world. We meet them in every port, compete with them in every market,

We meet them in every port, compete with them in every market, and our transactions are measured by the world's recognized medium of exchange. Forceful as we are as a nation and as a proud and powerful people, yet our laws largely stop at the sea. They can not reach beyond and control and dominate the great nations of the earth in their commercial and monetary relations, which have been fixed by the world's experience and by its common consent.

Mr. Chairman, if we were called to act upon this proposition, and could we disassociate ourselves from the great world of com-

and could we disassociate ourselves from the great world of commerce and its exchanges, with which we are most intimately related, it would be a much simpler proposition. It occurs to me, however, that we are dealing with a question world-wide in its proportions, and is not confined distinctively by geographical limitations. The consensus of the world's enlightenment and its judgment must be considered.

To my mind the advocates of free and unlimited coinage of silver by this Government alone take too narrow a view of the question. It is contended by no one with any degree of information upon the subject that the demonetization of silver by the United States alone brought about the appalling disaster to that metal and produced its tremendous fall. It must be conceded that the action of this Government was only a part of the transaction. Germany, Russia, France, Austria, Denmark, Norway,

Sweden, Belgium, Holland, Switzerland, India, and to say nothing of Great Britain, alike struck the blow by which it was assailed, These are the powers that joined in the general assault.

After the iapse of over twenty years, and years the most mar-After the lapse of over twenty years, and years the most mar-velous in all the world's history, can it be asserted that this Govern-ment can now undo what was then done, and unaided and alone lift this tremendous weight that the world's civilization has pressed upon this metal, and make it current coin, which this overwhelming judgment has denied? If disaster has befallen sinver, that as a matter of fact it has depreciated 50 per cent as the result of adverse legislation by the Governments named, as well as by the United States, what rule of logic will justify the assertion that this Government alone, without the concurrence of a single one of these powers, can replace silver to its position in the world, in monetary exchange, on a parity with gold at its old ratio, to whose demonetization they alike contributed?

WOULD CONTRACT INSTEAD OF EXPAND CIRCULATION.

The proposition, it occurs to me, would not lead to bimetallism, The proposition, it occurs to me, would not lead to bimetallism, but would result in silver monometallism. Gresham's law would prevail and gold at once would go out of circulation. Instead of expanding our circulating medium it would contract it. This would mean the instant withdrawal of the entire stock of gold in the country, which is shown by the Report of the Director of the Mint for 1895 to be \$636,229,825. It would mean even more than this if the advocates of free coinage failed in their prophecy, that by this act of the Government the price of silver did not raise in its commercial value 100 per cent. Nothing can be more certain in human affairs than as a result we would be on a silver basis. That such act by our Government would raise the commercial price of silver there is no question, but as to what amount. mercial price of silver there is no question, but as to what amount,

it occurs to me, is entirely speculative.

The amount and kinds of money in circulation in the United States when the Senate substitute was under discussion was as follows:

Gold coin	\$499, 282, 686 49, 847, 849	ar (D 110 595
Silver dollars. Subsidiary silver. Silver certificates. Treasury notes.	56, 629, 676 64, 387, 135 381, 614, 339 110, 221, 185	\$540, 110, 535
Paper money: Greenbacks Current certificates	28, 925, 000	562, 852, 335
United States national-bank notes	203, 086, 897	477, 757, 737

As I have heretofore stated, the entire volume of gold coin and gold certificates would disappear, and it would cause a contraction of our circulation exceeding 34 per cent. Under such a condition our silver coin would not be sustained by gold as it now is, and it would be obliged to take its chances in the broad commercial world for its own survival. Upon the assumption of silver remaining at the same price in the markets of the world, unaffected by the proposed legislation, and assuming there would be an appreciation in the prices of all commodities in this country equal to the increase in the legal over the commercial ratio of silver, then the silver coin, silver certificates, and notes outstanding would in purchasing power be lessened one-half. Under such circumstances the same would be true as to the amount of uncovered paper. It would take years to supply the deficiency in the circu-lation with the mints of the Government run to their fullest capacity for that purpose, to say nothing as to the needs for the ordinary

ncrease in population.

At any rate, serious if not disastrous consequences would follow if the disparity between the two metals were even 20 per cent, as it was admitted in the discussion it might be, when now it is 50 per cent. This disparity would have relation to all values and would not be confined alone to our circulation in the change from one standard to another.

COMPARISON IN COMMERCIAL TRANSACTIONS.

Our industrial business and commercial interests could in no way be benefited by such a course. We can not afford to chance all on assumption and bare hypothesis. It would be unwise to part company in our commercial relations with the great governments of mankind, representing the most potent factors in the world's civilization, in intellectual, social, and material develop-ment, and which, according to Muhleman, represent over 87 per cent of the world's commerce, and ally ourselves in a monetary policy with governments of an inferior civilization which have to

do with less than 18 per cent of the commercial exchanges.

In order to make still more direct application to our own Government, let us examine the following table as to the value and destination of the exports of the United States during the period

named, based upon the authority of the Bureau of Statistics of the United States Treasury for 1895:

Valuation and destination of the exports from the United States

Countries.	Exports, 1885 to 1804, inclusive.	Annual average.	Per cent of total.	Approxi- mate popu- lation.
United Kingdom, Great Britain and Ireland British colonies and de- pendencies	\$1,000,135,610 712,054,131	\$406, 018, 502 71, 205, 418	51.19 8.97	49,000,000 \$ *10,000,000 11200,000,000
3. France, Germany, Hol-	4,772,180,780	477, 218, 975	60.00	350,000,000
land, and Belgium	1,809,533,962	180, 953, 306	22.78	104,000,000
A Durale Assatute and	6, 581, 723, 712	658, 172, 371	82.87	
4. Russia, Austria, and other European states.	482, 379, 273	48, 237, 927	6.07	200,000,000
8. China, Japan, and other countries in Asia not under British rule. 4. Africa, not under British control. 7. Rawaitan, Philippine, and islands not British or Spanish. 8. Small unenumerated places.	2,064,162,985 316,481,898 4,847,818 44,848,757 13,968,245 7,245,734,631	706, 410, 298 11, 648, 189 684, 782 4, 434, 876 1, 995, 394 724, 578, 462	88.94 1.47 .00 .56 .17	642,000,000
9. South America, omitting British Guiana 10. Spanish and French West Indies, Haiti.	295, 285, 939	29, 528, 594	3.70	36,000,000
and Santo Dominge 11. Mexico	244, 755, 771 118, 517, 519	24, 475, 577 11, 851, 753	8.08 1.48	2,500,000 12,000,000
ting British Honduras. 13. United States	44, 053, 995	4,405,300	.56	8,500,000 70,000,000
Total	7,943,846,955	794, 894, 695	100	1, 450, 000, 000
	1		1	

* White.

† Mixed.

In the first, second, third, fourth, and practically the whole of the sixth group named with which we have any export trade silver is not admitted freely to the mints, and substantially the gold standard prevails. The silver standard prevails in the balance, subject to the following exceptions: In the ninth, Brazil, Urugusy, Chile, and Venezuela have discarded silver, and as our export trade to these countries amounts to over two-thirds of the whole group, the per cent of the whole as applying to this group would be 1.23 instead of 8.70.

In the tenth group the French colonies and Santo Domingo should In the tenth group the French colonies and Santo Domingo should be excluded. The same is true of Cuba and Puerto Rico, as they are under the Spanish system and silver has not been admitted to the mints of Spain since 1878, except on Government account. The volume of the metals in Cuba in 1895 was as 1 to 6 in favor of gold. Our export to these countries amounted to over three fourths of the whole, and this would leave the per cent as representing that group 0.77. Combining, then, as thus corrected, the fifth, seventh, eighth, ninth, tenth, eleventh, and twelfth groups, we have 6.19 per cent as against 93.81 per cent.

we have 6.19 per cent as against 93.81 per cent.

In other words, the value of our exports to the countries practically upon a silver basis represents 6.19 per cent of the whole volume of our export trade, as against 93.81 per cent with the great governments of the world that have denied silver coinage on private account at their mints and to-day, although using silver enormously, are upon a gold basis. If free silver is to open to us so enchanting a field in our export trade as the silver advocates picture, it would seem from this view there is an intense necessity for its development. Their statesmanship, I think, is hardly equal to the task from such an outlook.

HERE FREE COINAGE EXISTS SILVER ALONE CIRCULATES

No country can be named where free coinage exists in which both metals circulate upon equal terms. Gold has disappeared in every nation where it is now attempted, and silver alone is the medium of exchange. Shall we take the highway that leads to the same sure result? History and experience are more weighty than assertion, and practical applications of principles as well as theories are best known by their fruits. If there were no other element to be considered in this discussion than the simple demonetization of silver by this Government alone, it could be approached with some degree of assurance. It might then be safely conceded that the injury could be repaired by its restoration to its old position by the sole act of this Government. But, Mr. Chairman, as I have already endeavored to show, it was not this single cause that wrought the injury, but the combined action of practically the whole of Europe. Nor is it seriously contended by any standard authority on monetary history that the action of this Govern-No country can be named where free coinage exists in which

ment in 1873 alone produced this result. How could such an effect have been produced by such a cause under the conditions then existing?

EARLIER COINAGE OF THE UNITED STATES.

As shown by the last report of the Director of the Mint, the total amount of silver coined at our mints from 1793 to 1873 was \$140,589,000. It practically all consisted of subsidiary coin. During this entire period only \$8,000,000 of silver went to our mints and received the stamp of the Government in one-dollar coins.

From 1803 to 1839, a period of thirty-six years, only 1,621 silver dollars were coined. In consequence of our mintage law of 1834 undervaluing silver, it sought a market elsewhere, and when in 1853, in order to prevent it, we debased our subsidiary silver, there was practically none in circulation. In 1861 our metallic money entirely disappeared from circulation, and this condition existed in 1873. As a matter of fact, at that time as a nation we were in possession of little or no silver. The total coin in circulation was \$25,000,000, and this consisted almost entirely of gold, and was confined to the Pacific Coast. In 1878, the year before the resumption of specie payments, the total amount of silver in circulation was \$16,209,070. Is it possible the act of 1873, when it only had direct relation to so small a volume of our circulating medium, could impress itself with such disastrous consequences upon the could impress itself with such disastrous consequences upon the coined silver of the world, at that date amounting to \$1,816,516,657? Some other power must have been in operation aside from the law upon our statute books of that period to work the tremendous change

If other causes intervened, and causes which we can not now control by legislation, in what manner can those forces be readjusted except by the concerted action of at least a part of those powers which brought about the original disturbance? It is asserted that opening the mints of the United States to the free coinage of silver at the old ratio, backed by the unlimited resources of this Government, would fix the price of the product the world over. Were this statement sustained by sufficient proof, historical or otherwise, I would be willing to accept it. But this assertion is the very essence of the contention, and ought to be sustained by substantial evidence. In a matter of such tremendous consequences to the business and commercial interests of the country an argument should be sustained by something other than assertion, something more than a mere hypothesis, something aside from speculation, and not in contravention of the teachings of history and the experience of mankind. If other causes intervened, and causes which we can not now con-

history and the experience of mankind.

BALFOUR ON BIMETALLISM.

The position of Mr. Balfour, the recognized leader of bimetallism in England, a man of great learning and ability, and silver's conscientious friend, has often been referred to in this discussion, and especially by the advocates of the free and unlimited coinage of silver. He recognized grave difficulties at the outset in the solution of this question, as mentioned in his Mansion House speech in 1894. The first difficulty was the ratio between the two metals. He next asserts that no nation independently and for itself can successfully regulate its currency without regard to other governments, and that he who asserts to the contrary is a "dreamer of idle dreams." The following is that part of his address to which

Now, the question with which we are concerned is whether it be or be not inexpedient to adopt by international agreement this double standard, and I am far from denying—and I think a bimetallist is a very poor friend of his cause who would deny it—that there are difficulties, difficulties of detail it may be, but still difficulties, inevitably attaching to the solution of this question.

may be, but still difficulties, inevitably attaching to the solution of this question.

I have only to mention one of these difficulties—the difficulty, namely, of what shall be the ratio on which the nations of the world are to agree as that which is to govern the future relations between gold and eliver in the double standard?

I believe there are individuals who cherish the dream that currency is a matter for the State to regulate independently and for itself alone; that with its currency up foreign nation has a right to interfere; that it is a matter simply for the citizens of every community in relation to each other, and that the outside world need not be taken account of at all in coming to a decision upon a question which is one of purely domestic policy. Ladies and gentlemen, this is a dream. I will go further and say it is a dream worthy only of a medieval dreamer. We have long passed that stage of civilization when each country was a self-contained or approximately self-contained national unit, and when it could afford to disregard the internal commercial relations of other countries. Those days have gone by; they have gone by never to return, and I do not think there is a man in this room who regrets it.

INTERNATIONAL SIMETALLISM IN MUROPS

And this same eminent statesman and high authority on bimet-And this same eminent statesman and mgn authority of billet-allism stated no longer ago than the 17th day of last March, in the English House of Commons, when the Whitely bimetallic motion was pending before that body, that "he regarded the resolution as an indication that England was prepared to bear her fair share in establishing an international agreement for the use of both metals in the currency on a reasonable basis, just to debtor and creditor alike."

creditor alike."

England, he says, is prepared to bear her "fair share in an international agreement." The thought of that great money power

alone assuming the responsibility does not seem to him worthy of consideration. Upon the same day the Protectionists' leader in consideration. consideration. Upon the same day the Protectionists' leader in the French Chamber of Deputies presented a resolution that the Government open negotiations for the bringing about of an international monetary agreement. The premier of the Belgian Government before the Chamber of Deputies of that Government, on March 13 last, urged "the reestablishment of international bimetallism, and assured the Chamber that the Government would acquiesce in any measure insuring by international agreement the stability of the monetary exchange of gold and silver." No longer ago than last December a resolution passed the Ger-

man Reichstag, by a decisive vote, declaring in favor of a larger use of silver and favoring international action looking to that end. use of silver and favoring international action looking to that end. From no quarter in Europe do we hear independent action by one government suggested, much less advocated by any respectable authority. They seem to recognize the fact that money has an international relation that can not be independently or arbitrarily controlled or regulated by the separate powers.

As stated by Mr. Balfour in his Mansion House speech, even the question of the ratio is an important consideration, but this is passed over lightly by our friends, as though 16 to 1 were the fixed and immutable law of nature, designed by the Creator from the foundation.

HAMILTON AND JEFFERSON ON LEGAL AND COMMERCIAL RATIO.

It did not appear to be so considered by Mr. Hamilton or Mr. Jefferson, the founders of the system in our early history. They sought most carefully and diligently to determine in the first instance the commercial relation between the metals, and thereby be able to declare by law the fact as it then existed in the commercial world irrespective of the statute. It does not appear to have been contemplated by these wise and farseeing statesmen that legislation as to the ratio would have any effect, or in any manner would modify the commercial ratio as then recognized by the business and commercial world. the business and commercial world.

Hamilton stated in his famous report to Congress:

There can hardly be a better rule in any country for the legal than the market proportion. * * * The presumption in such case is that each metal finds its true level, according to its intrinsic utility, in the general system of

Jefferson entirely agreed with this position and expressed himself as follows:

Just principles will lead us to inquire into the market price of gold in the everal countries with which we shall be principally connected in commerce nd to take an average from them.

CHANGING OF LEGAL BATTO BY UNITED STATES

The ratio determined upon by the act of Congress of April 2, 1792, was 15 to 1. It was very soon made manifest in the exchanges that an error had been made, and which the law was changes that an error had been made, and which the line was unable to control. Although the mints were open to the free coinage of both metals at the above ratio, gold was undervalued, although by only a small per cent, yet it sought the markets of the world at its commercial value, avoided our mints, disappeared absolutely from circulation, and this in the face of our legislation, which in no manner appeared to control or affect it. Silver was

current coin.

This was the condition up to 1834-1837, and again an attempt was This was the condition up to 1834-1837, and again an attempt was made to fix the legal ratio so as to conform to the commercial value of the metals, and thereby be able to secure the concurrent use of both gold and silver in circulation. Congress fixed the ratio at 16 to 1. The new order was no better. A mistake was again made. This time silver was undervalued at its commercial ratio, and instead of silver seeking our mints and retaining its place in our coinage and circulation it absolutely disappeared and gold alone was in circulation. To such an extent did silver disappear from use by the shipment of our coins abroad that in 1853, in order to retain in circulation the subsidiary silver coin, it became necessary to reduce the amount of silver contained in them, and thereby prevent their shipment.

The greater part of the silver coins that had been in circulation from the organization of the Government up to this time was foreign and had been made legal tender by act of Congress. But on February 21, 1857, an act was passed declaring "that all former acts authorizing the currency of foreign gold and silver coins and declaring the same a legal tender in payment for debts are hereby repealed." This act struck down the larger part of the silver then in circulation and was the first act in its demonetization.

I cite these facts of our monetary history, not to sustain the proposition that the two coins can not be maintained in concurrent circulation at a fixed ratio or that the two conditions when

ent circulation at a fixed ratio or that this is absolutely nece rent circulation at a fixed ratio or that this is absolutely necessary, but that they did not do so under most favorable conditions when the legal and commercial ratio only varied in a slight degree, and when we had the cooperation practically of all the great powers of the world. If we failed then, how can it now be asserted, with the disparity in ratio between gold and silver of 50 per cent, that we alone could succeed in lifting this tremendous weight with the pressure of the commercial world against it, and without their recognition or assistance.

I may be mistaken in my conclusions, but I shudder at such a step for the safety of my country. To my mind every interest of labor would be imperiled, all commercial, business, and industrial prosperity would hang in the balance. If the lessons of history are any guide, it occurs to me the results would be disastrous in the extreme. I hesitate to accept the opinion of any man, and refuse to take such a step unsupported by any evidence and contradicted by every parallel in the world's experience.

FOLLOW EXPERIENCE OF ENLIGHTENED GOVERNMENTS.

The Latin Union, after a fair trial, under favorable conditions, surrendered the responsibility, and shall we now assume what they laid down, with the tremendous changes that have since ensued? Shall we profit by the experience and enlightened judgment of French statesmanship that now maintains the parity of the two metals in full circulation, or shall we join Mexico in free coinage, with practical silver monometallism? Shall we place less reliance in the German Empire, with its high order of talent in statecraft, in philosophy, and in learning, than in China, that stands palsied in the presence of modern civilization? Shall we join progressive Japan in a policy recognized by her as entirely inadequate to her growing necessities, and from which she is struggling to release herself? There free coinage of silver has recently been arrested except on Government account. Shall we break the commercial bond with the Anglo-Saxon race, upon which rests the highest aspirations for the world's future in civil government and ally its endeavors in the Western world with the stolid movements of the Orient?

In short, shall we keep in commercial sympathy with the leaders and potential factors in the world's enlightenment and progress, that have given it its history and its genius in civil government, or shall we turn our eyes for brighter hope to nations of inferior standing in all the elements of mental, social, and material development?

ISE OF SILVER BY UNITED STATES SINCE 1873 AND ITS FALL.

We have listened to very much harsh criticism as to the hostile treatment of silver by this Government since 1873. It is well to admit it was demonetized and robbed of full money function, But it suffered like treatment at the hands of the other governments I have named. Aside from this one fact (which I am free to admit is a very grave one), no other government has been more generous in its recognition or use. Under the Bland-Allison Act of 1878 and the Sherman Act of 1890, which authorized and directed the Secretary of the Treasury to purchase a certain amount of silver per month, and in pursuance of that legislation the Government up to the latter part of 1803 purchased practically the entire product of the mines of the United States, amounting to nearly 460,000,000 ounces. The vast output of silver which has been coined by the Government since 1873, as shown by the nas been comed by the Government since 1873, as shown by the Director of the Mint, amounts to \$538,444,467, and which by the legislation of the Republican party has been maintained at a parity with gold. And by the same authority it is stated we had on hand on July 1, 1895, of silver (including bullion in mints and mercantile safe deposit companies), \$625,854,949.

Yet, notwithstanding this immense purchase of silver bullion by

the Government during this period, it apparently had little or no influence upon its market value. It constantly, with but little variation, declined. The following table, taken from the Report of the Director of the Mint for 1895, shows the average price of silver per fine ounce during the period to which I have referred:

Average price of silver from 1878 to 1894.

ŧ	1878	91, 2048	1887	90, 9810
	1879	1. 1218	1888	, 9547
Į	1880	1.1440	1889	. 9338
	1882	1. 1351	1890	1.0000
	1889	1.1174	1892	. 9402
	1884	1.1120	1893	.8430
	1996	1.0897	1894	, told

WORLD'S PRODUCTION AND USE OF SILVER SINCE 1873

In addition to the large use of silver by our own Government we find its coinage was marvelously augmented in the mints of the world, as shown by the Report of the Director of the Mint for 1895, at page 51. It is there stated that from 1873 to 1894 there was coined in silver \$2,756,423,015. By the same authority, at page 41, we find the stock of coined silver in the world on January

page 41, we find the stock of coined silver in the world on January, 1, 1895, was \$4,970,500,000, and that of this amount \$3,439,000,000 is full legal tender. Excluding recoinages, it will be observed that exceeding 66 per cent of the present stock of the coined silver of the world has gone to the mints since the act of 1873 was passed. It occurs to me, Mr. Chairman, there is another fact, aside from the act of demonetization in 1873, which ought to be considered in connection with the tremendous fall in silver during the period in question. Two facts are practically coincident in the year 1873—demonetization and enormous production of silver—which has

since continued. The following table is taken from the Report of the Director of the Mint for 1895 (pages 248-249):

Production of gold and silver in the world since the discovery of America.

[From 1498 to 1885 is from a table of averages compiled by Dr. Adolph Soetbeer. For the years 1886 to 1894 the production is the annual estimate of the Bureau of the Mint.]

Period.	Annual average		SILVER. Annual average for period.		
	Ounces, fine.	Value.	Ounces, fine.	Coining value	
1520	186,470	#3,855,000	1,511,050	\$1,954,000	
1544	230, 194	4,759,000	2,899,930	8,749,000	
1500		8,656,000	10,017,940	12, 952, 000	
580	219,906	4,546,000	9, 628, 925	12, 450, 000	
)	. 287, 267	4,905,000	18, 467, 635	17,413,000	
0	278, 918	5,662,000	13, 596, 235	17, 579, 000	
		5, 516, 000	12,654,240	16, 361, 000	
		5, 828, 000	11, 776, 545	15, 226, 000	
		6, 154, 000	10,834,550	14,008,000	
		7, 154, 000	10, 992, 085	14, 212, 000	
	412, 168	8,520,000	11, 432, 540	14, 781, 000	
	613, 499	12,681,000	13, 863, 080	17,924,000	
		16, 356, 000	17, 140, 612	22, 162, 000	
		18, 761, 000	20, 985, 591	27, 133, 000	
	671,948	11, 823, 000	28, 261, 779	86, 540, 000	
		11,815,000	28,746,922	37, 168, 000	
		7,606,000	17, 385, 755	22, 479, 000	
		9,448,000	14,807,004	19, 144, 000	
*******	652, 291	13, 484, 000	19, 175, 867	24, 793, 000	
)		36, 393, 000	25,090,343	82, 440, 000	
5		132, 513, 000	28, 488, 597	36, 824, 000	
00		134, 083, 000	29, 095, 428	37, 618, 000	
85	5,949,583	122, 989, 000	35, 401, 972	45, 772, 000	
0	6, 270, 088	129, 614, 000	43,051,583	55, 663, 000	
5		115, 577, 000	63, 317, 014	81, 864, 000	
00		114, 586, 000	78, 775, 602	101, 851, 000	
	4, 794, 755	99, 116, 000	92,003,944	118, 955, 000	
		106, 163, 900	93, 297, 290	120, 626, 800	
		105, 774, 900	96, 123, 586	124, 281, 000	
		110, 196, 900	108, 827, 606	140, 706, 400	
*****		123, 489, 200	120, 213, 611	155, 427, 700	
		118, 848, 700	126, 095, 002	163, 032, 000	
		180, 650, 000	187, 170, 919	177, 352, 300	
	7 100 100			198, 014, 400	
		146, 815, 100	163, 151, 762		
		157, 297, 000	165, 165, 876	213, 547, 800 215, 404, 600	
	8, 705, 836	179, 965, 600	166, 601, 995	210, 401, 000	

While the production of silver from 1498 to 1873, a period of three hundred and eighty years, amounted to \$589,088,000, yet from 1878 to 1894, a period of twenty-one years, it amounted to the enormous aggregate of \$1,978,296,000. In other words, in the brief period of twenty-one years the output exceeded that of nearly the four centuries preceding by almost 850 per cent.

I am free to admit the production of gold also increased in almost like ratio from the year 1850 and that it has been greatly accelerated during recent years. From the mere inspection of the table it occurs to me other causes have contributed to the fall of silver aside from the act of our own Government. Physical causes, as well as legal, have alike been potent. In consequence of the vastly increased production of gold there has been much more of that metal to take the place of silver in the mints where the free coinage of the latter is denied. And of the vast amount of silver now in use in the world, as before stated, over 85 per cent is full legal tender. And this, with the gold, has thus been enabled to do the work that heretofore was performed by both metals with silver having free access to the mints.

enabled to do the work that heretofore was performed by both metals with silver having free access to the mints.

If silver has had such a large use during this period, greater than during any like era in the world's history, must there not be some far-reaching and controlling cause other than the action by this Government that has gradually borne it down? To assent to such a proposition seems to me the very acme of credulity. And to assert that by the mere fiat of this Government, great as is its weelth, its resources, and its potential energies, it can add 100 per cent in value to the immense stock of silver in the storehouses of the world is outreaching the limits of the possible in human affairs. The ablest champion of the proposition on this floor, and to whom I have heretofore alluded, admitted it might not be possible, and there might be a difference in the ratio in favor of gold sible, and there might be a difference in the ratio in favor of gold of 20 per cent. Such a confession, it seems to me, destroys the force of the whole contention. If we lost our gold at one time and our silver at another in the earlier part of our history, when the difference in the ratio was only nominal, there can be no ques-tion under such a condition that every dollar of our gold would at once disappear from circulation.

EFFECT ON VALUES, BUSINESS, AND LABOR.

Mr. Chairman, I will not stop to consider or even forecast the condition of our business affairs under the impending change. Every man could foresee it. When it was known that the Congress of the United States would pass such a measure, and that a President would approve it, every creditor would seek to enforce his demands and reduce his holdings to money or its equivalent. The foreign as well as the domestic holders of our bonds and securities would focul avery what is the description to their works. ties would flood every market in the eager rush for their redemp-

tion before such a law could be placed on our statute books. The same would be true of every security and obligation. All would want to convert into cash, and none would be purchasers.

Every debtor would be pushed to the extreme. No extensions would be granted, and every debtor would go down in a general maelstrom of disaster. Pandemonium in business disasters would run riot. The selfish creditor would make haste to secure the full equivalent of his securities before the impending disaster of a depreciated currency would ensue. Defenseless debtors would be driven into hopeless bankruptcy, their mortgages foreclosed, their collaterals sacrificed upon a market where chaos reigned, with capital in hiding and bidders dumb. Wealth could protect itself, but the debtor of whatever class would be swept down in the common avalanche of disaster. And labor, until a readjustment under the new order was made, would be helpless; at best the purchasing power of his wages would be reduced immeasurably, and in proportion to the depreciation of the money in which it was paid.

The level of all prices would advence as received here in the second content of the labor, which is the second content of the labor in which it was paid.

in proportion to the depreciation of the money in which it was paid.

The level of all prices would advance as measured by the inferior money. But wages never have increased in like proportion to the depreciation in the value of money in circulation or in the increase in the price of commodities. Labor in the meantime would stand at a tremendous disadvantage and would suffer untold loss for an indefinite period. This fact was abundantly demonstrated during our late war. It was four years after the close before the rates of wages corresponded with the rise in prices of commodities. During the intervening period, in which we had a depreciated currency, there was a difference between the advance in the rate of wages and of commodities which the laborer was obliged to purchase for his necessaries as follows: In 1862, nearly 18 per cent; in 1863, 38; per cent; in 1864, 65 per cent; and in 1865, 74 per cent. It was 1869 before the equilibrium was finally established.

FALLING PRICES.

It occurs to me, Mr. Chairman, that we might stop here for the absolute lack of evidence on the part of the advocates of free coinage to sustain in any manner their contention. I desire, however, to enter into another branch of the discussion upon which so much stress is laid, and that is, the fall in the prices of commodities since 1873. I will not claim "that there is not a single important product of industry in agriculture, manufacturing, transportation, or commerce in which there has not been a reduction in the cost of production or distribution which will not more than account for any reduction in price which has occurred between 1873 and 1892." I believe, however, the statement is to a certain extent correct. extent correct.

1873 and 1892." I believe, however, the statement is to a certain extent correct.

The method usually pursued to sustain this claim is inaccurate and misleading in the extreme. Miscellaneous articles are combined without any relevancy as to character or method of production, an index number is taken for a particular year at 100, and averages follow for corresponding years. Conclusions are arrived at surprising in the extreme, but absolutely lacking in credibility when subjected to analysis.

"Falling prices" in certain articles is that for which ingenuity and mechanical skill have been persistently struggling. The manufactured article has fallen, fallen enormously, and it is well that it should. The forces of modern civilization must have wrought in vain if this desired result has not in some manner been realized. The inventive ingenuity of our citizenship has displayed itself in every avenue of our industrial and commercial life. As a result, labor-saving devices have been multiplied. Within these years the artisan has changed from a mere laborer to a director of mechanical appliances, and his product has been vastly augmented. Improved proceases in manufacture, the lowering of rates of transportation by more than one-half, the lessening rates of interest, the forces of more extended competition, a higher culture, and the greater efficiency of labor itself have all alike contributed, as they properly should, to the lessened cost of production, and hence to the price of the manufactured article, and with which the act of 1873 bears no possible relation.

PRICES OF AGRICULTURAL STAPLES AND FOOD PRODUCTS SUSTAINED;
MANUFACTURED ARTICLES DECLINED.

If in the preparation of these tables the articles of manufacture are included with the staple products, the result will and should show a fall in prices. But, on the other hand, if these articles be show a fall in prices. But, on the other hand, if these articles be kept separate, the result demonstrates the fact that, while the fall in price is most marked in the products of manufacture, the agricultural staples and food products as a whole have been sustained, especially up to the latter part of 1892, when it was known that Democracy and "tariff reform" were triumphant. Illustrating as well as demonstrating this statement, I insert as a part of my remarks the following table, subdivided into groups, prepared by the eminent statistician, Dr. Soetbeer, from the most trustworthy data, based on the prices of 100 articles at Hamburg and 14 leading articles of British manufacture from 1851 to 1885. The average price of all of these articles from 1847 to 1850 was taken as the base, or 100 in the comparison, for the reason that these years prices as a whole

	Groups.	1866-1870.	1881-1885.
Animal and fish	iculture, etcproducts	187, 74 136, 35 121, 54 118, 32	130, 77 150, 60 134, 41 119, 91
Tortile materia	tals	95. 47 129. 17 105. 90 190. 55	81.50 96.60 91.11 103.20

As further demonstrating the same proposition, and having perhaps a more direct application, for the reason of its more recent compilation, and as practically having relation to our own domestic concerns, I insert the following table. It is from the Forum of April, 1895, which has heretofore been referred to in this discussion. In the compilation of the table the prices and wages are derived from the report of the Finance Committee of the United States Senate, compiled under the direction of the Hon. Carroll D. Wright. The prices, as well as the prices in London, which are given in terms of gold, compiled by Mr. Augustus Sauerbeck, have been completed and compared on the unit of 100 in 1860 by Prof. Roland P. Falconer, of Johns Hopkins University:

60. 18	
	65.
	197
	240.3
	299, 2
	237.8 191.4
	182.1
	271.6
	181.1
	202.8
	216.8
100	143, 1
100	148.6
	134.7
	49.5
	90
100	66
85. 18	900.
	99.6
	103.5
	82.4
	92,5
	73. 2
	123, 7 87, 9
	60.5
07.5	89.7
	92. 8
100	
98 50.7	158. 9
50.7	08.5
50. 7 55. 9 86. 3 00	68.2 86.3 100
50. 7 55. 9 86. 3 00 78. 7	158.9 68.2 86.3 100 77.4 172.1
The same and the s	100 100 100 100 100 100 100 100 100 100

It is evident from an inspection of the foregoing table that the products of agriculture in 1890 maintained and even exceeded the prices of 1860, when silver was admitted to the mints. All articles of manufacture, with the single exception of lumber and building material, have been wonderfully reduced in price, and very much below that prevailing in 1860, and especially in the succeeding years up to 1890. The implements of husbandry, the furnishings of the home, clothing—these articles so indispensable to comfort and domestic happiness—were brought within the reach of the individual. the individual.

the individual.

And at no time in our history or in the history of the world had the product of the day's labor so great a purchasing power. What was true in 1890, as demonstrated by the foregoing table, was still further manifested in 1892. And although wages had increased 58 per cent since 1860, the purchasing power had increased 72 per cent, indicating that this greatest of all commodities had been most marvelously conserved. At that time also the most fortunate conditions prevalled in all our industries, and labor found the fullest employment, and few, if any, were unemployed.

The same distinguished authority, in the May number of the same periodical for 1892, speaking of the conditions then existing, which it will be remembered was when Mr. Harrison was President and before the calamity of the present Administration was foreshadowed, stated:

foreshadowed, stated:

There has never been a period in this or any other country when the general rate of wages was so high as it is now or the price of goods relatively to

the wages as low as they are to-day, nor a period when the workman, in the strict sense of the word, has so fully secured to his own use and enjoyment such a steadily and progressively increasing proportion of a constantly increasing product.

FLUCTUATION IN ENGLISH GOLD PRICES BEFORE AND SINCE 1873.

I desire now to show the fluctuation in the English gold prices I desire now to show the fluctuation in the English gold prices of forty-three articles of necessity which are in common use, comprising vegetable and animal foods, tea, coffee, sugar, minerals, textile materials, and sundries. The table was compiled by Professor Falconer from Sauerbeck's table of gold prices in London, the unit or index number being taken at 100 in 1860. Silver had free access to the mints in the period between 1846 and 1872, inclusive; and in the second period the gold standard practically provailed. In the first period unusual conditions prevailed to abnormally raise prices. The great conflicts between Austria and Prussia, Germany and France, the Crimean as well as our own great struggle, occurred in this period. The war of England with China also marked this era. During the second period it was practically a time of peace and of unusual production and competition, which is conducive always to lower prices: is conducive always to lower prices:

1846 to 1875, inclusive,

1846	92.2	1856	102.8	1866	106.5
1848	79.9	1858	93.3	1868	103.1
1850	79.4	1859 1860	100	1870	100.3
1852	80.8	1862	105.6	1872	112.5
1854	106.2	1863	112.3	1873	116.6
1955	103 1	1985	105.9		

		1575 to 1591, incides	De.		
1874 1875 1876 1877 1878	107 100.3 97.5 97.4 91.3	1880	88, 5 88 86 79, 3 75, 4	1888 1889 1890	73.9

Recourse, as a rule, is always had by the advocates of unlimited coinage to the table prepared by Mr. Sauerbeck to establish the "fatal fall" in prices since the demonetization of silver in 1873. "ratal fall" in prices since the demonetization of silver in 1873. From a careful survey of the foregoing table it will be discovered that during the first—the bimetallic—period, when the price of silver was practically uniform, there was a fall in the year 1849 to substantially the same average as in 1890 and 1891. Then a rise, a fall, and a rise in 1864 to nearly the same level as prevailed "1873. Succeeding 1864 there was a fall, and then succeeded "The final great speculative rise and financial debauch in 1873, when English credit and goods began to spread over the world in a way which but lately culminated in the disastrous losses in Australia and South America." and South America."

and South America."

Will some advocate of unlimited coinage explain the lack of parallelism between silver and commodities in the first period, when there was constant fluctuation of the price of commodities, and silver remained fixed and stationary? In the second period, however, they argue there is the closest sympathy and inseparable relation. I do not believe the demonetization of silver in 1873 is a sufficient answer.

As further explaining the tables in question I read from the article to which I have referred:

It will be observed that there were greater fluctuations and variations in the course of prices and almost as great a fall at one period between 1846 and 1872, when the Latin Union was in existence, and silver was coined in France freely at the ratio of 185 of silver to 1 of gold, as there have been since silver was deprived of its full function of legal tender.

When each separate type of the 43 articles is dealt with year by year, it is found that a few have risen since 1873, others have fallen but little, others greatly, others have varied from year to year, but there is no sign of any influence causing a steady tendency to depression, such as is asserted by the so-called bimetallists.

Since 1873 there have been less fluctuations than before, rather an orderly reduction in most prices, varying slightly with the difference in seasons in each year, but corresponding closely with reduction in cost. This beneficial fall has been accompanied by a corresponding or correlative rise in wages greater in the United States than in any European states. Since 1873, under the influence of peace and the stability of the gold unit of value, this beneficent fall in prices has also been accompanied by a vast development of international commerce. national commerce.

FALL IN PRICES COMMENCED BEFORE 1873.

Mr. Chairman, as a matter of fact, and as conclusively established by the tables of Mr. Sauerbeck, in which full reliance is placed by the advocates upon either side of this controversy, not only on account of the eminent character and ability of the author, only on account of the eminent character and ability of the author, but by his exhaustive and far-reaching investigations, the "fatal fall" in prices really commenced in 1804-65 instead of in 1873. In the latter year and the one preceding it abnormal and unusual conditions existed, that forced prices up in the speculative and financial excesses then prevailing, to which I have heretofore alluded. The facts of our own history conclusively demonstrate that falling prices set in almost immediately after the close of the civil was civil war.

These tables further show, and as most forcibly illustrated by the chart prepared therefrom and used by my learned and able friend from Minnesota [Mr. McCleary] in his speech recently upon this subject, that the average fall in prices during the bimetallic period between 1818 and 1852 was as great as, and even greater than, during the gold period from 1873 to the present time. The year 1873 was not the commencement of the fall of prices in that are hot such a condition had for come time become size.

The year 1873 was not the commencement of the fall of prices in that era, but such a condition had for some time been prevailing. This position is sustained by one of the most eminent authorities, Jevons, in his admirable work on Money and the Mechanism of Exchange. In speaking of the value of money, he states: "From 1809 to 1849 it rose again in the extraordinary ratio of 100 to 240, or 140 per cent." In other words, if the purchasing power of money rose so enormously it means that prices fell in a corresponding degree, or at the ratio of 240 to 100. Can it be claimed by the most ardent advocates of unlimited coinage that the fall in prices since 1878 bears any like proportion to the con-ditions then existing, and that, too, at a time when silver was freely admitted to the mints and practical bimetallism was in force with the commercial nations of the world?

During the existence of the mint ratio of France, from 1803 to 1873, though persistently asserted to the contrary, it is nevertheless true that the prices of commodities constantly fluctuated. Evidence is wholly lacking to show any relation as between prices Evidence is wholly lacking to show any relation as between prices and silver, which, during this period and long prior to the enactment of the French law, had maintained the same unvarying ratio with gold. Another fact is strongly brought to light by the tables of the eminent statistician, Dr. Soetbeer, that from 1851 to 1885, inclusive, the years covered by his investigations, at no time did the average prices of agricultural products fall below his standard of comparison (the prices from 1847 to 1850), when bimetallism was in force, and in 1865, as well as the average price from 1878, was very much higher.

bimetallism was in force, and in 1885, as well as the average price from 1878, was very much higher.

It is further demonstrated by these tables, and it was strikingly illustrated by appropriate charts in the discussion recently had by the learned gentleman to whom I have already alluded, that the chief animal food products, which is a subject of especial interest to the agriculturist, although subject to frequent fluctuations, have since 1873 maintained a price very much above that prevailing with the standard of comparison in 1847–1850, when silver was admitted to the mints.

SENATE REPORT ON PRICES AND WAGES

We are not confined, however, to the data even of such eminent authorities as Dr. Section and Mr. Sauerbeck. The investigation made upon the subject of prices and wages under the authority of the Finance Committee of the United States Senate, to which I have heretofore referred, covered 293 different articles from 1860 to 1891, but only embraced 85 from 1840. The accuracy of the deductions I have never heard questioned. Partisanship in no sense entored into the inquiry, and the report has been accepted as unbiased.

as unbiased.

This report shows that the average of all wages, without taking into consideration the lessened hours of labor, as I have already stated, had increased 58 per cent as compared with those prevailing in 1860, and that its purchasing power had increased 78.1 per cent. If regard be had, however, to the hours of employment, real wages had increased 97 per cent in effectual purchasing power. The report further shows that food products from 1873 to 1891 had fallen less than 10 per cent, but making the comparison with the prices prevailing in 1860 they were higher in 1891 by 18 per cent. Building materials had fallen nearly 20 per cent, house furnishings 97 per cent, clothing 32 per cent, and agricultural implements 35 27 per cent, clothing 32 per cent, and agricultural implements 35

As further showing the enormous increase in the rate of wages, I refer to a recent address delivered by Hon. Carroll D. Wright, in which his examination covered an extensive period, the most important in modern times—from 1850 to 1890. They show a constant increase from an average of \$247.38 per year in 1850 to \$302.06 in 1870, and to \$444.83 in 1890. Strange as it may seem, the rate of increase has been at a much higher percentage since the act of 1873 than before. Marvelous discoveries and the multiplicity of inventions in these years have amaxingly developed man's capacity in production, and it has become an age more of mental than physical exertion in every department of life. As stated by an eminent authority, "the productive capacity of an average operative in a given mill, working year by year throughout the period, has increased from 4,320 yards a year in 1830 to 9,607 yards in 1840, and in 1894 was over 30,000 yards."

It is also stated by Mr. Wright, in the address to which I have already referred, wherein he combats the proposition of the growing proportion of the unemployed, that a comparison between 1870 and 1890 shows that in the former year 32 out of every 100 population were engaged in some gainful occupation, while in 1890 the ratio was 36 to the 100, a very considerable gain as affecting our entire population. He also states that the total number of employees in the manufactories of this country increased from As further showing the enormous increase in the rate of wages I refer to a recent address delivered by Hon. Carroll D. Wright

731,137 in 1850 to 3,745,123 in 1890, while the wages rose from \$236,750,000 to \$2,225,000,000; that while in 1860 Great Britain exceeded us in the amount of her manufactured product by more than 50 per cent, yet in 1890 the United States outstripped her great rival by nearly 125 per cent. He further speaks of the "decadence of profitable agriculture, the absorption of the small farm and homesteads by the land sharks and the shylocks, and as to the increasing burden of mortgages," which are some of the themes so often sung, and at no time so persistently as in this discussion. The facts are, however, that the 1,500,000 farms in the United States in 1830 had increased in 1890 to 4,500,000, and their value had risen from \$151,500,000 to nearly \$500,000,000. The average size of the farm had fallen in the same time from 203 to 137 acres.

The subject of unprofitable wheat raising, especially in my own section, is a theme for most hostile attack, and I desire to briefly allude to it in this connection. After such able discussions upon this subject during the present session it seems like a waste of time to further pursue it. If any article has had a "fatal fall" in the last few years it surely is wheat. I am at a loss to persuade myself, however, that the causes for its decline are alone to be found in the legislation of 1873. In the first place, the production of wheat in this country has been wenderfully augmented since 1873. Compare the last crop marketed before that year with that of 1891, the last one marketed before the election of Mr. Cleveland. It increased from 225,035,000 busiles to 570,833,000—over 150 per cent. The exports of wheat-raising countries have also wonderfully increased during the same period, and have been brought into direct competition with our own production.

In 1873 the Argentine Republic exported no wheat, while in 1892 she exported over 470,000,000 kilos. India increased her export from 394,000 hundredweight in the same year to 30,306,000 in 1892. Russia increased her exports from 6,957,000 chetverts in 1873 to 16,206,000 in 1891.

It is needless to enter at large into a discussion of the lessened

1878 to 16,206,000 in 1891.

It is needless to enter at large into a discussion of the lessened cost of wheat production from the year 1873 to 1891. Modern appliances, both in preparing the ground, the seeding, harvesting, and thrashing, have been perfected, simplification and cheapened so that they have come into general use. The accupation has practically changed from one of drudgery to that of mechanical skill. The following table is taken from the Monthly Crop Report for December, 1895, United States Department of Agriculture, and the figures are for the month of December each year:

Production, value, price, and exports of wheat since 1880.

Year.	Total area of crop.	Total production.	Total value of crop.	Average value per bushel.	yield	Average value per acre.
1880	37, 709, 020 37, 007, 194 36, 455, 506 39, 475, 565 34, 189, 246 36, 806, 184 37, 306, 138 38, 123, 859 38, 087, 154 39, 916, 897 38, 554, 430 34, 852, 436	Bushcls. 408, 540, 868 263, 280, 060 504, 185, 470 421, 066, 160 512, 765, 000 887, 112, 060 467, 218, 000 465, 220, 000 415, 868, 060 400, 560, 000 300, 282, 000 511, 700, 000 5115, 940, 000 516, 327, 416 467, 102, 947	\$474, 201, 850 456, 890, 427 444, 002, 125 885, 649, 272 890, 862, 280 275, 280, 390 214, 225, 020 310, 612, 900 385, 245, 030 382, 491, 707 394, 773, 678 514, 472, 111, 881 213, 171, 881 213, 171, 881 215, 906, 025	Cents. 96. 1 119. 2 88. 3 91. 1 64. 5 77. 1 68. 7 68. 7 68. 1 102. 6 109. 8 83. 9 102. 4 53. 8 40. 1 100. 0	Bushela. 13.1 10.2 13.6 13.6 13.6 13.1 10.4 12.4 12.1 11.1 13.9 11.1 15.3 13.4 13.2 13.7	\$12. 48 12. 12 11. 99 10. 52 8. 38 8. 06 8. 54 8. 25 10. 32 12. 86 8. 35 6. 16 6. 48 8. 99

An inspection of the foregoing table discloses the fact that the most prosperous year for the wheat raisers of the country in the sixteen years enumerated was the last crop marketed under a Republican Administration, that for 1891, when the average value per acre was \$12.86. The paralysis that struck the country in November, 1892, before that crop was marketed, by the announcement of the election of Grover Cleveland and a Democratic Congress, wrought its work most speedily and the producers of wheat were the first to feel its effect. The conditions of 1891 can be brought back, as they surely will be, under a Republican President and Congress that an impatient but patriotic people will restore to power in the coming election. False economic policies, first threatened and then carried out in the Wilson law, had more to do in depressing the price of wheat and of all prices than the demonetization act of 1873.

COMPARATIVE PRICES OF PARM PRODUCTS IN 1878 AND 1891

From a table prepared by the Statistician of the United States Department of Agriculture on February 4, 1896, for use in this discussion, giving the average prices of the following-named agricultural products for the month of December each year from 1873 to 1895, I extract the following for the years 1878 and 1891. The

reason for taking the year 1878 is that in the following month we reason for taking the year 1875 is that in the following month we resumed specie payment and prior thereto we were on a paper basis. I have heretofore stated why the year 1891 is selected. From an examination of the table it is made plain that the prices of these articles had not fallen, and instead of being lower they were actually higher. The average price of the products named was \$0.509 in 1878, and \$0.546 in 1891.

Products.	1878.	1801.
Wheat	\$0,777 .818 .526 .246 .560 .527 .569 7.21	\$0.839 .406 .774 .315 .546 .573 .871

Another misstatement has been persistently made, and that is, that under the free coinage of silver in India the price of wheat remained uniform. By the courtesy of my friend from North Dakota [Mr. Johnson], whose ability and research added so much to this part of the discussion, I will embody the table used by him in his remarks upon this branch of the subject. The figures were compiled by the United States Department of Agriculture, taken from the official publication of the Indian Government from 1873 to 1893, and are reliable. The prices given are in gold.

Average price of wheat per bushel in India reduced to equivalents in United States gold coin.

1873		\$1.05		************		1887		90.90

						1889		.80
		1.24		*****		1890		
1877	***********						**********	
1070	*************	1 49	1996		70	1900	**********	88
ACC 17			AUCU					1.002

It will be observed that prices fluctuated there as in our own country, and they have gradually fallen. The abnormally high price prevailing from 1877 to 1880 is explained by the existence of the great famine, and practically there was little or no wheat produced or for sale.

FREIGHT RATES AS AFFECTING PRICE OF WHEAT IN 1871 AND 1801

The important item of freight rates is usually lost sight of in the measure of the fall of prices. To no article scarcely has it a stronger application than to wheat in comparing the relative prices between 1873 and 1891. Freight rates are now less than half what they were in 1873. The average freight rates in 1873 were nearly 2 cents per ton per mile, while in 1891 they were less than ninetenths of 1 cent. This reduction means in itself a vast sum saved in the aggregate to all the consumers of the country when the extent and magnitude of our internal commerce is considered. It tent and magnitude of our internal commerce is considered. It might be well to make its application to the matter now in hand. The subject has already been presented, and I assume the risk of

repeating.

The New York Produce Exchange shows the average export price of wheat to the London market for the year 1871 was \$1.367. I take that year for the purpose of comparison with the year 1891 for the reasons heretofore stated. The average export price for the latter year was \$1.094. This statement taken by itself would show a higher price for the former year of \$0.273 per bushel. A examination, however, of the Statistical Abstract for 1895, page 330, shows the average freight rates, including transfer charges, for the carriage of 1 bushel of wheat from Chicago to New York in 1871 was 0.258 cents and in 1891 0.101 cents, or 0.157 cents less for the latter year. The difference in the efficient price at Chicago

in 1871 was 0.258 cents and in 1891 0.101 cents, or 0.157 cents less for the latter year. The difference in the efficient price at Chicago in the two years would then be 0.116 cents in favor of 1871.

But it is shown by the same authority that the average cost of moving 1 ton of freight per mile on the Chicago and Northwestern and the Chicago, Milwaukee and St. Paul, the two great railway systems entering my State, in 1871 was upward of 2.30 cents and in 1891 it was 1.07 cents. Upon this basis, suppose a farmer had shipped his wheat from a point 500 miles northwest from Chicago in these years, he would have saved in freight in 1891 0.181 cents per bushel, which would have been sufficient to make up the difference in the price received in Chicago for his crop of 1891, and it would have netted him 0.065 cents per bushel more than that for the year 1871. The farmer in 1891 secured net to himself as high or a higher price per bushel for his wheat and it had a tremendously greater purchasing power in providing the comforts, the adornments, and the necessities for the home and the farm.

RESULTS IN MINNESOTA AND ILLINOIS, 1883 TO 18

A most valuable contribution has recently been made to this subject by Mr. L. G. Powers, chief of the bureau of statistics of Minnesota. It not only demonstrates the enormous reduction in the cost of transportation from 1863 to 1804, but also the fact that the gold price of wheat received by the Minnesota farmer in 1891–1894 was higher than in 1862–1866. In the period 1867–1870

he received only one-third of the price paid in the London market, two-thirds being consumed in transportation and by middlemen. I insert the table prepared by Mr. Powers as a part of my re-

omparative statement of the average gold values for wheat per bushel upon the farms of Minnesota and New York, and the market value in cents of American wheat in London, England, from 1853 to 1854.

	1			Differences.		
Year.	Minnesota.	NewYork.	London.	Minnesota and New York.	Minnesota and London.	
1862-06	56.5 65.3 73.1 72.7 62.2 64.2 73.4	115 138.6 134.1 110.5 132.4 62.4 96.3 83.5	175.6 176.3 149.6 149.6 113.5 106.1	58.5 73.3 61.1 37.8 40.3 28.3 21.9 21.4	110, 3 103, 2 76, 5 47, 4 49, 3 82, 2	

It will be observed the average price of wheat advanced in Minnesota after the act of 1873 as well as declined. In what manner will this fact be reconciled with what has been asserted as a uniform and harmonious decline with silver from that date.

form and harmonious decline with silver from that date.

Another striking table is also submitted by Mr. Powers in dealing with the farm values of nine crops in the State of Illinois, from the year 1862 to 1894, inclusive. He treats of corn, oats, wheat, rye, barley, buckwheat, potatoes, hay, and tobacco. The values are given in gold. He takes this State as typical of a vast region of which it is the center. In the years named the State raised 354,711,624 tons of the crops named, of the farm value of \$4,570,148,391. He gives in detail the average value per ton of the nine crops in the first table, and in the second that of corn, wheat, and oats. The several products are combined in fixed wheat, and oats. The several products are combined in fixed proportion by weight so as to give each its relative importance. It will be observed that the value per ton for the period of 1891-1894 exceeds each of the others in both tables, except that for 1879-1882:

The gold value of all crops combined,	Per ton.
62 to 1866, averaged in gold 71 to 1874, currency prices being reduced to gold 79 to 1882, the period of great scarcity in Europe, in gol 91 to 1894, in gold	d 13. 13 d 15. 59

Dealing with the crops of corn, cats, and wheat as distinct from the other six crops included in the nine, we get the following results:

Average gold value of corn, oats, and wheat.	Per ton.
From 1862 to 1866, in gold	17.72

COMPARATIVE POSITION OF FARMER, 1872 AND 1891.

As still further illustrating the better position of the farmer in 1891 as compared with 1872, the year prior to the demonetization of silver, let us examine the prices of the two years of the products of the farm, and also the prices of those articles which the farmer bought in the way of clothing, house furnishings, and for the maintenance of the farm. I take these tables from an address by Mr. Edward Atkinson, to whom I have already referred, before the Manufacturers' Club at Philadelphia, on the 17th of last month. They are based upon the data in the Senate report.

All the leading articles of food which the farmers produce and sell were 1872 at the index number of 122, a rise of 22 points in paper from the gold ait of 1880. How about the farmers' purchases of that date?

ment of the control o	98.00 E-E-T	
Cloth and clothing stood at	131 in paper money.	
Fuel and light at		
Metal and implements at	117 in paper money.	
Lumber and building materials at	153 in paper money.	
Drugs and chemicals at	123 in paper money.	
House-furnishing goods at	113 in paper money.	
Miscellaneousat	121 in paper money.	

Now let us go to the gold prices of 1801. The food products of all kinds dealt with by Commissioner Wright brought to the farmers, the meat packers, the millers, etc., 104 in gold, a rise of 4 points as compared to 1866; but with respect to the farmers' purchases witness the change:

1	Cloths and clothing were reduced in cost to him as compared				
1	to 1872	from	131	to	81
1	Fuel and light	from	136	to	91
1	Metal and implements	from	117	to	75
ı	Lumber and building materials				
	Drugs and chemicals	from	123	to	86
	House-furnishing goods	from	113	to	70
	Missellanouse	Encorn	101	500	OK.

These tables clearly demonstrate the advanced position of the farmer in the year 1891 over that of 1872. While his products represented the position in price over the unit of 1880 for the year 1873 of 122, yet the necessaries which he bought were greatly advanced. The price of his products stood in the average of comparison with the things he bought of 122 to 127‡. In other words, the purchasing power of the farmer's products was not equal to

but less than the things he purchased. In 1891 the condition was reversed. Then the purchasing power of his products stood in the average of comparison as 104 to 884 of the things he purchased.

At the same time wages had advanced and labor was fully employed. Although the prices of the manufactured article had been enormously reduced, yet at no time in our history was the manufacturer so prosperous, and no like era ever marked so extensive a development in the manufactories of our country.

FARMING IN IOWA IN 1873.

As illustrating the condition of the farmer in the State of Iowa a close neighbor of my own, in 1873—that year in which the Republic is now pictured as in the possession of her highest achievements and most wonderful prosperity—let us look at the picture presented by Mr. C. H. Rogers in his address before the Harrison County fair for that year, which is preserved in the annual report of the State Agricultural Society of that State:

Of the State Agricultural Society of that State:

Proud of these aspects and of her progress in practical agriculture, still the condition of the laboring man and farmer is far from what is desirable. They have worked, watched, and waited for an adequate reward until weariness has well-nigh turned to hopelessness. Farming has been a financial failure for the past three years. Hard toll has opened up fine farms and brought to the bins the products of unexampled harvests, but the sales have hardly paid expenses and bought cheap clothing until the coming harvest. There is no surplus to improve buildings, purchase thoroughbred stock, and furnish the home with any of the luxuries of art and literature.

In the same report the price of the principal agricultural products at the city of Des Moines, Iowa, for each month of the year 1873 is preserved, and is as follows:

Month.	Wheat.	Rye.	Barley.	Corn.	Oats.	Hay.
January	.85 .75 .75 .75	\$0.35 .35 .35 .45 .35 .35 .36 .45 .46 .40	\$0.40 .45 .45 .45 .45 .45 .40 .50 .60 .70 .70	\$0.16 .17 .17 .18 .20 .20 .20 .22 .22 .22	\$0.20 .30 .20 .20 .22 .28 .20 .20 .27 .27	\$6.0 6.0 6.0 6.0 6.0 6.0 6.0 5.0 5.0 5.0 5.0

From an examination of the foregoing prices, little satisfaction, it occurs to me, could be derived from them by even the advocate of free coinage. They, however, sustain the truthfulness contained in the words of Mr. Rogers. If the difference in freight rates be considered between that period and the present, from Iowa to the seaboard, and the fall in the price of the manufactured article, that much-vaunted era would seem or ren to the possibilities of our imagination comparing it even with the hopelessness of this the fourth year of the second reign of Grover.

BAVING IN TRANSPORTATION IN 1883 OVER RATES IN FORCE IN 18

From the Statistical Abstract of the United States for 1894 and 1895 we find the average charges for the carriage of 1 ton of freight for 1 mile upon 18 of the representative railroads of the United States in the year 1874 to be 1.869 cents. The freight rate had fallen in 1893 to 0.801 cent, a difference of 1.062 cenia. I can find no data as to charges for 1873. I assume these as the average rates on all the railways. The figures are substantially correct and from the most trustworthy authorities. For the year ending June 30, 1893 (being three-fourths of the last year of Harrison's Administration), there were moved 93,588,111,833 tons of freight on the railroads of this country 1 mile. This sum multiplied by the difference in freight charges between the two years would equal \$999,521,034. In other words, this tremendous sum was saved to the consumers as well as the producers of the United States in one year by the lessened difference in the average rates of the years in question. This does not take into consideration transportation by water, which in 1890 stood to railways very nearly in the proportion of 1 to 4. The reduction of freight rary nearly in the proportion of transportation than by railway. If we take this into consideration we have the total amount saved in one year in the item of transportation alone, as between From the Statistical Abstract of the United States for 1894 and

saved in one year in the item of transportation alone, as between the two years, the vast aggregate of \$1,249,411,292.

In sustaining this statement, and even a greater fall in freight rates than I have claimed, I quote from the work of Mr. Schoenhof, which has just been issued, A History of Money and Prices, in which he states:

If I were to bring the freight decline into an average figure, I should say that the charges are, all around, not much more than one-third of what they were about twenty-five years ago.

To assert that such a vast saving to the people of this country annually in this one item would not manifest itself in falling prices is to shut our eyes to a stupendous fact and grope vainly in the shadows to connect it with another cause to which it is but dimly associated—the act of 1873.

EFFECT ON EXISTING CONTRACTS

Another subject is worthy of consideration, if the proposed legislation shall in any degree alter existing contracts and allow payments to be made in a depreciated currency. The amount due individual depositors from a certain class of corporations is almost fabulous. They rest now upon the existing standard. The re-sponsibility assumed is a grave one, and should not be lightly taken. From the most reliable data, furnished by the Depart-ment of Labor, and from the Statistical Abstract for 1895, I take the following:

Deposits in savings banks	1,715,200,000 794,235,555 546,652,657 450,667,594
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Add, in addition to this vast sum, perhaps upward of \$5,000,000,-000 of liabilities to policy holders in life insurance companies, to say nothing of the pensions and of obligations of trust funds of every character. If silver did not appreciate these institutions would make a profit of 50 per cent, or at any rate whatever the difference in the ratio of the two metals might be.

APPRECIATION OF GOLD.

Another argument that is used with great force by the opposition is the assumption that gold has enormously appreciated. This is stating in another form that prices have fallen as measured by gold. If I have at all made myself clear, it is to demonstrate the proposition that there has been a fall in the prices of those articles which are the product of manufacture. This fact is demonstrated by the tables to which I have referred. It is a condition of hopefulness rather than discouragement or despair. Measured by the price of these articles, and of all commodities combined, the same is true, but not to so great a degree. But measuring gold with price of these articles, and of all commodities combined, the same is true, but not to so great a degree. But measuring gold with wages, or by their purchasing power, the supremest of all tests, gold between 1860 and 1890 fell 58 per cent in the one case to 72 per cent in the other. Measuring it also during the same period by the food products and the great agricultural staples, it has not appreciated, but on the contrary has fallen.

Mr. Chairman, during the eventful years of national development from 1873 to the present, human ingenuity has never been so active, and never has it been so potent in developing mechanical appliances. Its results are everywhere made manifest, not only in the

and never has to been so potent in developing mechanical appli-ances. Its results are everywhere made manifest, not only in the means of production and canufacture, but in the distribution of all productions. Electricity, with its multiplicity of appli-ances, both in lighting and as a motive power, belongs to this era. The labor-saving devices that have been applied in all lines of manufacture are manifold, and as a result the American workmanufacture are manifold, and as a result the Apperican work-man has been enabled to compete with the world in his product, under Republican legislation, at the highest race of wages ever received by labor at any place on the civilized globe. The saving in transportation within this period, as I have shown has amounted to much more than one-half. The number of patents issued by the Government during the twenty-two years succeeding 1878 has increased more than 300 per cent over the twenty-two years preceding that date. This fact in itself is significant of the actual results attained.

THE EXPERIENCE OF FRANCE

Reference in this discussion is always made to the experience of France. It is persistently asserted that, as a result following her action in establishing in 1803 the mint ratio at 15½ to 1, France alone sustained the commercial ratio of the world up until 1873 at her legal ratio. The proposition is then stated: If France alone could do this for silver and maintain the ratio, can not this Government, with its exhaustless wealth, its infinite resources, its productive and potential possibilities, safely assume a like responsibility, and that France during the years referred to was as

sponsibility, and that France during the years referred to was as a pygmy in comparison with our present power and ability. The answer I would make to the proposition is, there is no proof to sustain the allegation. France sought to do what our own Government attempted in 1792, to fix as the legal ratio what was the commercial ratio recognized by the nations of the world.

An examination of the following table, from the Report of the Director of the Mint for 1895, discloses the fact that the commercial ratio was no more uniform or steady for the seventy years succeeding 1803 than for the one hundred and sixteen years prior to the enactment of the French law. Even if it were admitted that the action of France aided in sustaining the ratio, and this I am free to do, yet during her experience she had the cooperation and direct support of the great commercial world except England, but did not even have her hostility. France adopted it as its commercial ratio when it had been stable for over a century. While the proposition here is for this Government to adopt a legal ratio, not equal to, but 100 per cent above, the commercial ratio, assuming that the United States by its fiat alone can bear the burden, to which there is no direct proof that France carried little or any more than her ordinary responsibility with the other little or any more than her ordinary responsibility with the other

powers of Europe as well as the United States during the same period:

Commercial ratio of silver to gold for each year since 1687.

[Nove.—From 1637 to 1832 the ratios are taken from the tables of Dr. A. Soetbeer; from 1833 to 1873 from Pixley and Abell's tables; and from 1873 to 1862 from daily cablegrams from London to the Bureau of the Mint.]

Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.
1687	14. 94 15. 02 14. 98 14. 88 14. 88 14. 87 15. 02 15. 02 15. 07 14. 94 14. 87 15. 02 15. 07 15. 17 15. 22 15. 17 15. 22 15. 11 15. 22 15. 25 15. 25	1729 1730 1731 1732 1738 1738 1738 1738 1738 1739 1740 1741 1742 1743 1744 1744 1745 1748 1749 1750 1751 1755 1756 1757 1758 1758 1760 1761 1762 1763 1763 1763 1763 1763 1763 1763 1765 1765 1766 1767 1768	14. 81 14. 94 15. 18 15. 09 15. 18 15. 41 15. 18 15. 02 14. 91 14. 92 14. 85 14. 87 14. 88 15. 18 15	1771 1772 1773 1774 1775 1776 1777 1778 1779 1780 1780 1781 1783 1784 1785 1786 1787 1788 1789 1790 1790 1790 1790 1790 1790 1790 179	14. 62 14. 72 14. 55 14. 55 14. 56 14. 88 14. 80 14. 72 14. 78 14. 78 14. 78 14. 92 14. 92 14. 93 15. 04 15. 05 15. 17 15. 06 15. 17 15. 06 15. 17 15. 65 15. 16 15. 48 15. 48 16. 48	1813 1814 1815 1816 1817 1818 1819 1820 1821 1823 1824 1825 1828 1828 1828 1828 1833 1833 1833 1833 1831 1835 1830 1831 1841 1842 1843 1844 1845 1844 1845 1846 1847 1848	15. 28 15. 11 15. 35 15. 35 15. 62 15. 84 15. 86 15. 70 15. 78 15. 78 15. 78 15. 73 15. 73 15. 73 15. 73 15. 82 15. 73 15. 83 15. 80 15. 80 15	1854 1855 1850 1850 1851 1859 1861 1862 1863 1864 1865 1865 1867 1868 1870 1870 1870 1870 1873 1874 1873 1874 1875 1878 1878 1878 1878 1878 1878 1878	15. 27 15. 38 15. 19 15. 29 15. 50 16. 35 15. 37 15. 37 15. 57 15. 50 15. 57 15. 57 16. 17 16. 17 16. 18 17. 22 17. 94 18. 40 18. 16 18. 16 18. 16 18. 19 18. 57

It is apparent from observation that a period of thirty years, from 1820 to 1850, the commercial ratio was below the mint ratio of France, and at no time were the two ratios equivalent. I cite the following from the report of the French monetary commission of 1867, as to the concurrent circulation of the two metals in that country:

It is well known by all that this ratio (of 1803), by the simple reason of its being fixed, could not remain correct. There was quickly a premium on gold, and silver remained almost alone in circulation until near 1850. The discovery of the mines of California and Australia suddenly changed this situation by throwing into the European market a very considerable quantity of gold. There was a premium on silver to the extent of 8 per mille, and it disappeared almost completely from circulation, yielding place to gold.

RESULTS SINCE DEMONETIZATION.

If the demonetization of silver has wrought the grave wrongs our friends allege, and they assert it is the duty of this Govern-ment alone to assume the very serious and hazardous responsibility of the free coinage of silver, surely the burden is upon them to demonstrate its absolute safety to the labor, industrial, and commercial interests of the country. Do not the results of the past twenty years refute their contention? From the commencement of this unparalleled era let us recite a few of the achievements upon the commencement of this unparalleled era let us recite a few of the achievements upon the commencement of this unparalleled era let us recite a few of the achievements upon the commencement of this unparalleled era let us recite a few of the achievements upon the commencement of this unparalleled era let us recite a few of the achievements upon the commencement of the comme to the election of Grover Cleveland in November, 1892. Administration, as Republicans, we bear no responsibility, for it wantonly reversed the policies of the Government that brought such unexampled prosperity and made possible such wonderful accomplishments.

accomplishments.

My contention relates to a period and to conditions existing anterior to the election of Mr. Cleveland and a Democratic Congress in 1892. I make little or no comparisons with conditions or prices existing since that time. I admit the depressed and unusual conditions now existing, that have most injuriously affected the producers of all commodities, the farmer, the laborer, and the manufacturer. The disastrous policy of this Administration has lessened the price of all articles of production, has driven labor into enforced idleness, has unsettled all values, and discouraged enterprise of whatever character. These abnormal conditions, I hold, are the result of unwise legislation, and independent of the money question. They may be corrected and the favorable conditions existing under the last Republican Administration can be restored by wise and proper legislation.

Commencing with 1873, in twenty years we reduced the national debt \$1,230,000,000, and the annual interest charge over \$91,000,000. From 1870 to 1890 we increased our national wealth from \$30,000,000,000 to \$65,000,000,000. In addition to paying the na-

\$30,000,000,000 to \$65,000,000,000. In addition to paying the na-

tional debt and adding so vastly to our wealth, individuals had deposited over \$2,000,000,000 in savings banks and building and loan associations, largely acquired during this period. The amount paid in wages to the 3,750,000 employees in our manufactories in 1890 was \$2,225,000,000, and the value of the product aggregated \$9,372,000,000, exceeding by 125 per cent that of any other Government in the world. In the like time the manufacture of pig iron increased 200 per cent, railroad mileage over 150 per cent, the passenger traffic 500 per cent, and the number of freight tons moved nearly 400 per cent.

moved nearly 400 per cent.

Such magnificent results could not have been accomplished under adverse conditions. The record of the world nowhere shows a parallel. This history can not be rewritten, or these facts obliterated. They are there to remain, and they can not be erased by acrimonious denunciation. During the whole period, up to and including the Administration of President Harrison, no gov-ernment had been so blest by Providence in all that went to make up a great, free, and prosperous people. If the statements of our economists and most eminent statisticians are to be given credence, as deduced from the last census by the General Government, the wealth of the nation at no time since its foundation was so generally distributed amongst the people as in the year 1890. No people under any government, now or heretofore, was so well housed, fed, or clothed as the average American citizen in the year 1892

Mr. Chairman, I glory in these mighty achievements of my country and in the policies of administration that have made these accomplishments possible. I take pride that in this golden era of the Republic it was led under the genius of Americanism by the great party of the people that lead it in triumph through peace as in war to its high and manifest destiny.

CHANGED CONDITIONS SINCE ELECTION OF 1892.

How changed the conditions prevailing since the election of the present Administration! It was elected upon an issue that proposed a reversal of the economic policies that had brought to the nation these marvelous results. Since then our energies have been stifled, hope and courage have almost fled, and instead of the been stried, nope and courage have almost fied, and instead of the chorus of plenty, Want's gaunt hand has pressed close upon many of our people. Prostrate industries, idle wheels, smokeless furnaces, palsied capital, idle labor, unsought production have cried in vain for help, and the only answer of "triumphant Democracy" was the Wilson bill, with its "perfidy and dishonor," that wrecked our prosperity and ruined our industries. The hope of the nation is in the Republican party, whose policies have energized every industry, given life and strength to every production, stimulated labor and capital to their highest endeavors, and brought happing labor and capital to their highest endeavors, and brought happiness and plenty to every home. All these will surely call back to power this great party in November next, for upon it are centered the hope and the well-being of the nation.

Under Republican legislation the largest use of silver has been made possible. It has been its policy to maintain the whole volume of our currency in circulation and to sustain the parity of each kind with the best. In this, it has succeeded. All thinks of

each kind with the best. In this it has succeeded. All kinds of money circulate on an equality, and each in our business transactions possesses equal purchasing and debt-paying power. With an abundant revenue that Republican legislation always provided the redemption fund was protected and we had the most extended use of silver without fear or apprehension to the gold reserve. This can be done under the protective policy that will again be inaugurated as soon as the party is in full possession of the executive and legislative departments of the Government.

tive and legislative departments of the Government.

A reversal of that policy by the present Administration has necessitated the borrowing in times of peace of \$262,000,000 to maintain the gold reserve and the ordinary expenses of Government. Under Republican legislation, for thirteen years succeeding July 1, 1879, the total withdrawal of gold from the Treasury only amounted to \$43,310,896. But under Democratic threats and free-trade legislation, from July 1, 1892, to May 20, 1896, the withdrawals of gold amount to upward of \$447,000,000, and over \$351,000,000 of that amount has been exported to foreign countries to make good the balances against us in our trade relations. Under such a disastrous policy how is it possible, with the most favored conditions, to sustain our financial relations under any system we may see fit to inaugurate?

We need ample protection to defend our home market as well as our labor.

our labor.

REPUBLICAN VICTORY WILL RESTORE PROSPERITY.

Under the Republican system our export trade was sustained and it gave us a balance in our favor. Reinaugurate it, and our present disturbances will soon be adjusted and our financial perplexities will largely, if not altogether, right themselves. With a Republican victory in November the conditions that existed in the early part of 1892 may be restored, confidence return, and that splendid era of Republican prosperity again bless the country.

The Republican party has demonstrated its capacity in administering the affairs of the Government under its legislation for

istering the affairs of the Government under its legislation for

nearly thirty years. It marks the greatest industrial achievements in the history of the world. I believe the grave problems involved in the present discussion will be solved by it in the interests of the whole people.

A stable currency should be maintained, and its volume should be appeared to been pace with our increasing population. There

A stable currency should be maintained, and its volume should be enlarged to keep pace with our increasing population. There must and should be a measure of value, just alike to debtor as well as to creditor. There should be neither an appreciating nor a depreciating dollar. As far as legislation can control it even and exact justice should be the sole aim. An "honest dollar" means one that is equally so to rich and poor, to the employer and to the employee, to the producer as well as to the consumer, to the borrower as well as to the lender—one that possesses as nearly as may be the same relative purchasing power it had within a as may be the same relative purchasing power it had within a reasonable limit in the past and no greater, and one that will liquidate a just obligation in the future fairly and honorably without appreciation or depreciation to the wrong or injustice of either party.

It occurs to me the present issue should be disposed of upon its own merits. It is the assertion of a false doctrine for members of the same party to involve with it the great principle of protection that has done so much to ennoble labor and develop our industrial life. In the end no great cause can be promoted by such a course, nor will the American people accept for it as an explanation that, under existing conditions, just objections may be made against the revenue bill passed by this House. Disguise the position as it may be, in my judgment the Republicans of the nation will resent it as an unjust and arbitrary assertion and unworthy the forum of fair and honorable discussion.

REFUBLICAN PARTY FAVORS BIMETALLISM. All Republicans confessedly must stand upon the national platform of 1893 until the party otherwise announces itself. The party then declared for bimetallism and the use of both gold and silver as standard money, and that the purchasing and debt-paying power of every dollar should be equal. All Republicans practically are bimetallists, and they must be such if they adhere to the declared principles of the party. They differ, however, widely as to how that desired object shall be accomplished. The advocates of free coinage assert that by the sole legislative act of this Government admitting silver to our mints at the ratio of 16 to 1 true bimetallism will be attained. Those who do not share this view believe such a course would at once drive gold out of circulation, contract our currency, reduce us to a silver basis, and in-

view believe such a course would at once drive gold out of circulation, contract our currency, reduce us to a filver basis, and instead of bimetallism we would have silver monometallism.

They also believe that money has a world-wide relation and that a nation in and for itself can not act independently without having regard to its commercial relations with the potential governments of the world. Law may control domestic transactions, but it is largely impotent outside the limits of its own sovereignty. They further believe that concurrent action may be brought about by the leading powers, so that this undertaking may be jointly assumed and silver again restored to its rightful place. Such has been and I believe is the position of the great body of the party to-day.

to-day

to-day.

The Republican party has always been generous and not arbitrary. It believes in the largest liberty and trusts that honest differences may be reconciled. It, however, believes in the rightful rule of the majority and that no arbitrary confederation within its membership should seek to strike down or withhold its assent to cherished principles of the party's faith in order to coerce the employment of their particular method by which silver is to be restored, which method was recently here repudiated by the great majority of the representatives of the party, and, I believe, will be by the party itself, if recent expressions in the State conventions are any guide. tions are any guide.

THE ISSUE IS THE USE OF GOLD AND SILVER AGAINST SILVER MONO-METALLISM.

Let the issue be fairly and candidly made, so that it alike may be understood on the farm, in the shop, and in the counting room. To my mind the issue is not between the gold standard and metallism, as the advocates of free coinage would state it. It might, rather, with accuracy be said, that it is a contest on the one hand between gold and the largest use of silver ever employed in the world's history and silver monometallism on the other. The real issue, however, is the method to be employed by which real and genuine bimetallism may be secured. Shall it be by this Government alone assuming the responsibility and the unlimited coinage of silver at our mints, or by intelligently and consistently seeking the cooperation of other great powers to that end, and in the meantime avowedly adhering to our present standard?

To my mind the agitation of free and unlimited coinage of silver by this Government alone is harmful in the highest degree to the industrial and commercial interests of the country; is de-Let the issue be fairly and candidly made, so that it alike may

the industrial and commercial interests of the country; is destructive of confidence where capital is looking to new enterprises and more extended employment. Upon the issue thus made, I oppose it. I am in favor of existing standards until changed by international agreement. I favor earnest and honest cooperation to that end, and that this Government should take the initiative.

Each dollar that bears the stamp of the Government, whether of Each dollar that bears the stamp of the Government, whether of silver, gold, or paper, must possess equal purchasing and debt-paying power. Our national credit must be maintained at home as well as abroad, and must be kept as untarnished as our honor. Good faith demands that every obligation must be sacredly kept, and paid in the same currency or its equivalent as that upon which the original transaction was based. I believe the overwhelming judgment of the country favors this course, which, to my mind, is the one of safety as well as national honor.

Contested Election Case-Mitchell vs. Walsh.

SPEECH

HON. JAMES G. MAGUIRE,

OF CALIFORNIA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, June 2, 1896.

The House having under considerable the following resolutions—
"Resolved, That James J. Walsh was not elected a Representative to the
Fifty-fourth Congress from the Eighth Congressional district of New York
and is not entitled to his seat.
"Resolved, That John Murray Mitchell was elected a Representative to the
Fifty-fourth Congress from the Eighth Congressional district of New York
and is entitled to his seat."—

M. A. C. Fifty Seat.

Mr. MAGUIRE said:

Mr. Speaker: In the majority report in this case there are express findings of fact, which we say are absolutely unsupported by the evidence. There is a finding that Tammany Hall was a beneficial organization and not a political organization in its inception. I say there is no evidence in the case to show that. inception. I say there is no evidence in the case to show that. They say that Tammany Hall constituted, in the election of 1894, a conspiracy for the purchase of votes for the Democratic ticket and for the contestee. I say there is not a word of evidence to show that. They say that Tammany Hall appointed captains for the several election districts, and leaders—naming them—for the several assembly districts. I say there is no evidence of that. The majority, in its report, names certain men as Tammany captains: In the twenty-fifth district, Thomas Collins; in the thirtieth district, James P. Divver; in the thirty-fifth, John O'Rourke; in the thirty-sixth. Milra Callahan: and in the forty-fourth. Thomas the thirty-sixth, Mike Callahan; and in the forty-fourth, Thomas

Dineen.

I told the gentleman from Kansas [Mr. Long] on Friday last that I should call upon him to furnish the evidence in support of these findings, and he has failed to do it. I call upon him now, in the remainder of his time, which he has reserved, to show the truth of these findings by any evidence in the case. There is no such evidence. He refers to a printed book, purporting to have been printed by somebody in New York, and purporting to contain a list of Tammany members and officers. So far as I know he relies upon that book alone to prove these facts. Is that evidence? Is that the kind of evidence on which the majority of this committee, acting judicially, are willing to find facts? Is that the kind of evidence on which the majority of this House are to be asked to unseat a member of the House who is returned elected? Certainly no judicial tribunal worthy of the name ever acted on such evidence to render judgment in any cause. There is no evidence in the case that these men were ever appointed by Tammany Hall for any purpose, or that they acted for Tammany Hall in any capacity on election day. There is not a word of evidence to support these findings as to any of these districts in question.

Where the finding is as follows:

question.

Their next finding is as follows:

Their next finding is as follows:

The work of bribing the voters in each district was introded to a Tammany captain, who carried on his operations near the voting booth.

I say there is absolutely no evidence to support that finding. There is no evidence that Tammany Hall appointed captains for that or for any other purpose, or that these men represented Tammany Hall in any way whatever. What is the evidence by whith the majority of the committee seek to support this finding? They set forth in their report the best evidence they have been able to find to sustain these positions. The first testimony which they cite is that of John Sanford.

If gentlemen will turn to page 4 of the majority report they will find his testimony there quoted. He testifies that on election day he took two or three men to a man whom he supposed was a Tammany worker in the twenty-fifth election district, but he admit wan ever was appointed by Tammany Hall, or that he represented

man ever was appointed by Tammany Hall, or that he represented Tammany Hall, or the Democratic party, or Mr. Walsh, the contestee, in any capacity whatever. Let me say further there is not a word of evidence to show that any man was asked to vote for Mr. Walsh or that any man was paid upon the understanding or suggestion that he should vote for Mr. Walsh. There is no evidence directly connecting Mr. Walsh with the matter at all, and,

as Mr. Walsh himself has said here, there is no evidence that he was connected with Tammany Hall at the time of the election, was connected with Tammany Hall at the time of the election, and no evidence in the case to show that he ever was connected with it, unless this House is willing to take as evidence a printed document identified by a witness as a list of Tammany Hall officers and members, but of which he knows nothing except that it purports to give a list of such officers and members.

There is no testimony of anybody and no evidence of any kind, except the fact that some person has printed a book which contains certain names—among them the name of Mr. Walsh as a vice-president of Tammany Hall. In fact, he was not a vice-president of Tammany Hall at the time of the election. But I do not

dent of Tammany Hall at the time of the election. But I do not care to go outside of the record to discuss this case. If this case is to be decided judicially, it must be decided upon the evidence in is to be decided judicially, it must be decided upon the evidence in the record. If it is not to be decided judicially upon the evidence in the record, then the contestee is in the hands of his political enemies, to be dealt with according to their prejudices. To treat this book as evidence is to ignore the rules of evidence. I say that this printed document, without any evidence to show that a word contained in it is true, or that these men were really selected or appointed to represent Tammany Hall in any capacity, without a word to show that they acted for Tammany Hall, is utterly worthless, and vitiates the finding that is based upon it. John Sanford, whose testimony the majority cite in support of these findings, certainly did not show by his testimony that there was a Tammany captain in the twenty-fifth district representing Tammany Hall for the purpose of bribing voters or for any other purpose. Hall for the purpose of bribing voters or for any other purpose. He was asked this question concerning the conduct of this alleged Tammany captain, this man whom Sanford supposed to be a Tammany worker, but whom he did not know:

Q. Did he (referring to this alleged Tammany worker) say anything to hem about whether they would receive anything for voting?

The WITNESS. He did not, that I know of.
Q. Did you see this Tammany man give them money?
A. No, sir; I did not see that worker, but I saw another man told to give hem money give them a sliver dollar."

Who was the other man? It nowhere appears who he was or what he was, or who "told" him to give money. The witness further testified that he was not sure that this occurred at the twenty-fifth election district; that he "kind of thought" it was the twenty-fifth district, but never took much notice of it.

The testimony of the next witness, Patrick J. Lynch, is equally irrelevant and worthless. He testified that some man, whom he does not know and can not describe, gave him 50 cents for registering on a date which he does not remember; that the same party who paid him 50 cents for registering paid him for voting on election day. He testifies that at the time of registering nothing election day. He testifies that at the time of registering nothing was said to him about voting either the Republican or the Democratic ticket; that as he was going from the lodging house to the polling place he saw the same man; that the man called to him, "Come here, I want to see you all," referring to the witness and his three companions. He testifies that this man handed him a Democratic ticket and a paster; that he did not look at the paster

Democratic ticket and a paster; that he did not look at the paster, but recognized the ticket as a Democratic ticket; that the man said to him, "I will see you all right," and showed him how to vote the ballot. When the witness had learned to vote the ballot the man said, "All right," and put the paster on the ballot.

Mind you, this witness testifies that he does not know what the paster was, that he did not notice what it was, that he recognized the ballot as a Democratic ballot, but did not know what the paster was, but that he voted the paster and not the Democratic ticket. He testified that the man named \$2 as the price of a vote and gave him a bill which he supposed to be a two-dollar bill, but after wards discovered to be only \$1, and that he asked the man for the odd dollar, but never got it. [Laughter.] He testifies that he could not tell the name of the man who gave him the Democratic ticket and the paster; he testifies that he voted; but he does not testify for whom he voted for Representative in Congress or for any other office, and he says he did not recognize the paster that he voted. that he voted.

Here I will call attention to the fact that nearly all of the witnesses testify to being asked to vote by men whom they did not know, or men whose connection with Tammany Hall or with the Democratic party they knew nothing of and do not state in their testimony. They testify generally that they were asked to vote the Democratic ticket, but the evidence here shows that Mr.

vote the Democratic ticket, but the evidence here shows that Mr. Walsh's name was not on any ticket which was denominated the "Democratic ticket" on that day.

Mr. QUIGG. Did not that same witness testify that he saw this same Democratic worker pay—

Mr. MAGUIRE (interposing). Democratic worker! How does it appear that the man was a Democratic worker? That is an assumption, and that is the fatal weakness of this testimony.

Mr. QUIGG. Well, that he saw the same person who had given him a Democratic ticket and a paster and asked him to vote and paid him a dollar and owes him a dollar still [laughter]—did not that witness testify that he saw that same man buy 18 or 20 other votes?

Mr. MAGUIRE. No; he does not. He testifies that other men got money and told him about it—that they got money from some man, whom he nowhere names and whom he in no manner conmeets with the contestee, or with any organization or party to which the contestee belonged. Nor does he show that either himself or any other person voted for the contestee, or voted any ticket upon which the contestee's name appeared.

Mr. QUIGG. The gentleman surely does not contend—
Mr. Prince rose.

Mr. MacQuigg.

Mr. Prince rose,
Mr. MaGUIRE. I yield to the gentleman from Illinois [Mr. Prince], because he has the record in his hand, and I hope he will do what no other member of the committee has yet done—show from the record some evidence to support the charge of bribery.
Mr. PRINCE. Did I understand the gentleman from California to say that John Sanford did not say that he himself saw this

worker pay money to other workers?

Mr. MAGUIRE. John Sanford did not say he saw that worker pay money to other workers. He said he saw another man who was directed to pay money to other voters; he does not say who directed him to do it, nor in what capacity, nor of what politics was either the man who gave the direction or the man who was

directed to pay the money.

Mr. PRINCE. What does the gentleman say in regard to this

extract from the evidence?

Q. How many do you think you saw outside of these three men that re-eived money from that man or men around there? A. Oh, I suppose 15 or 29; I do not know. Q. Fifteen or 20, at the least? A. Yes, str; I suppose so. No cross-examination.

What does the gentleman say to that?
Mr. MAGUIRE. I say that it is absolutely irrelevant. witness does not say and does not know from whom he saw them get the money, or for what purpose they got it. He so testifies. That is no evidence whatever of bribery in the interest of the con-

Mr. QUIGG. May I now ask the gentleman a question?

Mr. MAGUIRE. Yes, sir.

Mr. QUIGG. The gentleman from California does not wish to be understood as alleging that there was any difference whatever between the Democratic ticket in the city of New York at the last of the content of the content of the content of the city of New York at the last of the content of th eneral election-that is, in 1894-and the Tammany Hall ticket,

Mr. MAGUIRE. I do, most positively. The evidence shows it as clearly as it is possible for evidence to show anything. The contestant introduced the Democratic State ballot, which does not contain the name of the contestee. It is the official ballot. The ballot on which the contestee's name appeared was the Tammany Hall ballot, officially designated by that name, and that name only, and introduced by the contestant in evidence.

Mr. QUIGG. Does the gentleman when he speaks of the Democratic State ticket mean the ticket containing the names of men who were to be voted for as State officers?

Mr. MAGUIRE. As State officers, including Representatives in

Congress. And I refer to the evidence offered by the contestant to support that statement.

There is not a scintilla of evidence—even hearsay—and you have nothing else; there is not a particle even of hearsay evidence to show that Mr. Walsh received any vote of any man who was bribed, or in any way otherwise influenced, unless it be inferentially concluded from such evidence (worthless as it is) that he must have received the votes of those who voted the Democratic must have received the votes or those who voted the Democratic ticket because his name was on that ticket. I say his name was not on the official "Democratic" ticket, nor upon any ticket denominated "Democratic." I say that testimony that a man was bribed to vote the Democratic ticket, when it appears from the evidence that the contestee's name was not on any ticket denominated Democratic—was not on the official ballot designated as Democratic—can not possibly give rise to the inference that he received any advantage from any such bribery by whomsoever committed. That is what I say on that point. It is only by that false and unwarranted inference that contestee can be found to have received any bribed votes.

Mr. TAYLER. Will the gentleman yield a moment?
Mr. MAGUIRE. Yes, sir.
Mr. TAYLER. Does not the contestee admit that he was indorsed by the State Democracy and by the Empire State Democ-

Mr. MAGUIRE. The contested must have his rights determined by the evidence in the record, and not by any quizzing on the floor

Mr. TAYLER. I mean does he not admit it by his formal stipulation and assent incorporated in the record?

Mr. MAGUIRE. That his name was on the ticket?

Mr. TAYLER. That he was the candidate of the Empire State

Mr. MAGUIRE. I admit that, of course, but his name was not on their ticket.

Mr. TAYLER. But if he was the candidate of all organiza-tions known by the name of Democratic as well as of the Tam-many organization would he not be voted for upon the Demo-

Mr. MAGUIRE. No; not necessarily. The Democratic ticket (official) was printed without his name and those who voted that

ticket did not vote for him unless they wrote his name in.
Mr. TAYLER. Does he not admit that Tammany Hall was a
regular Democratic organization?

Mr. MAGUIRE. I do not admit anything that is not in the record. There is no such showing. I am not here to admit anything. I do not believe that to be the proper way to try an election case on this floor. The evidence of both parties is in the reconcess of the contract of the contract

ord, and it is not for members arguing the case to admit or deny anything outside of the record. Mr. TAYLER. But my colleague on the committee, the gentleman from California, I regret to say, seems to be more remarkable for what he does not know about this record than for what

Mr. MAGUIRE. That is my opinion of the majority of the committee. Their judgment does not seem to have been directed by the evidence in the record. As for myself, I have carefully examined the evidence and base my judgment upon it alone.

Mr. TAYLER. Is not that admission in specific form in the

record—that Tammany Hall is the regular Democratic organiza-tion of the city of New York?

Mr. MAGUIRE. Such an admission, if in the record, is unim-

Mr. MAGUIRE. Such an admission, if in the record, is unimportant. That would not show or tend to show that a witness who testifies that he voted the "Democratic ticket," or that he had seen others vote the "Democratic ticket," meant that he had voted or had seen others vote the "Tammany Hall ticket," when it conclusively appears by other evidence that there was a ticket denominated and officially designated the "Democratic ticket," voted recorded to the theorem. voted regularly at that election.

Contestee's name was not on the "Democratic ticket," but was on the "Tammany Hall ticket." Yet, in order to find that any person was bribed to vote for contestee, you are driven to the absurdity of contending that such person voted the "Tammany Hall ticket," although the witnesses testify that those persons voted the "Democratic" ticket.

voted the "Democratic" ticket.

Now, I say this: I do not admit and will not discuss anything outside of the record; the record shows or contains an admission that Mr. Walsh was indorsed by the State Democracy. But it appears further that his name was not on the ticket. It does appear that Edward J. Dunphy was their nominee. It also appears that shortly before the election he declined the nomination and Mr. Walsh was indorsed by the State Democracy, but it seems the indorsement was not in time to get his name on the ticket.

Mr. WALSH. That is a mistake; it was in time.

Mr. MAGUIRE. Well, at all events, the name does not appear on the ticket. It is immaterial whether it was in time or not.

I think, Mr. Speaker, the trouble is, the fact that he was indorsed by the State Democracy does not show that he received the vote of any man who voted that ticket, or the ticket of that party, unless it is expressly testified that his name was on the ticket. The voting of that ballot does not give rise to a presumption that his name was voted.

tion that his name was voted.

Mr. TAYLER. The gentleman from California does not want

Mr. TAYLER. The gentleman from California does not want to do any injustice or to create a misapprehension?
Mr. MAGUIRE. Certainly not.
Mr. TAYLER. The gentleman understands, no doubt, that the title "State Democracy" is a mere title, and that it does not relate to the area over which the State Democracy spread

Mr. MAGUIRE. I know of nothing of that kind in the record. Mr. TAYLER. That is what I thought. Mr. MAGUIRE. I know of no such evidence in the record at

Mr. TAYLER. Very well; then I have nothing further to say. Mr. MAGUIRE. I believe the gentleman from Kansas desired to ask me a question.

From the record as made up in this case, does the gentleman understand to have been the regular Democratic organization in this particular Congressional district?

Mr. MAGUIRE. I am not discussing regular Democratic or-

ganizations now.

Mr. LONG. From the record—
Mr. MAGUIRE (continuing). Nobody testifies that he voted the ticket of a regular Democratic organization. Some witnesses do testify that they were hired to vote the Democratic ticket—hired by somebody, they do not know whom, and whose connection with the Democratic party they do not understand or know anything about. Now, the question to determine is how far that anything about. Now, the question to determine is how far that testimony has any connection whatever with this contestee in any

manner, when the witness simply declares that he voted the Democratic ticket, and does not say for whom he voted, does not say that he voted for Mr. Walsh, and does not in any way connect Mr.

Mr. LONG. Now, will the gentleman answer my question?
Mr. MAGUIRE. What question?
Mr. LONG. As to the regular Democratic organization in this
Congressional district. What was it called?
Mr. MAGUIRE. I know that there were three tickets there
purporting to be regular in their way. One was called the Tammany Hall ticket, another the State Democracy, and the other
the Empire State Democracy.
Mr. LONG. I want to know whether the gentleman repudiates
this admission, found on page 133 of the record:

this admission, found on page 183 of the record:

The contestee concedes that the regular Democratic organization is commonly called Tammany Hall.

Mr. MAGUIRE. That is all right.

Mr. LONG. You admit that?

Mr. MAGUIRE. I do not question it. But how does that show that a man who says he voted the Democratic ticket voted for Mr. Walsh, when it appeared conclusively by the official ballots that his name was not on any ticket so designated?

Was his name on the Tammany Hall ticket?

Mr. LONG. Was Mr. MAGUIRE. Mr. LONG. The Yes, sir. The Tammany Hall organization and the Democratic organization were identical, or rather the Democratic organization in this district, the regular one, was known as Tam-

many Hall.

Mr. MAGUIRE. I am not going to decide a dispute between the State Democracy and the Tammany Hall Democracy, as to which was the regular organization. It is quite immaterial. The question here relates to tickets, not to party organizations.

Mr. LONG. I am not speaking of the State Democracy. You admit that Mr. Walsh's name was on the Tammany Hall ticket,

admit that Mr. Walsh's name was on the Tammany Hall ticket, and the record shows that the regular Democratic organization was called Tammany Hall?

Mr. MAGUIRE. Yes, sir.

Mr. QUIGG. I wish we might get some of the Democratic members of the House to make the same distinction about the organization that the gentleman does.

Mr. SILLZER. It will be made.

Mr. SULZER. It will be made.
Mr. MAGUIRE. There is no evidence that anybody who claimed to have voted the Democratic ticket voted for Walsh. The vidence concerning the hiring of anybody to vote the Democratic ticket is no showing whatever that the man who did the hiring was in any way connected with Tammany Hall.

The gentleman made some considerable point on the fact that two of these districts are large lodging-house districts, and that from 20 lodging houses in New York 800 men voted.

Mr. LONG. I did not make that statement.

Mr. MAGUIRE. Then the gentleman stated that 800 were

Mr. MAGUIRE. Then the gentleman stated that 500 were registered. Is that it?
Mr. LONG. I made that statement.
Mr. MAGUIRE. And he contends that it is extraordinary that 800 men should be registered from 20 lodging houses in the city

Mr. LONG. I did not state that it was extraordinary in the city of New York for anything like that to occur.

Mr. MAGUIRE. The testimony shows that these are lodging houses for poor men; that they are lodging houses for the classes paying from 15 to 50 cents for lodging. I do not know whether the record shows it or not-

Mr. FAIRCHILD. For how many nights?

Mr. MAGUIRE. The evidence is that many of them have lived there for many years. It does not appear anywhere that any of them had not been living there long enough to vote; and with lodging houses in that section of New York City, seven-story houses in which rooms or lodgings are rented at from 15 to 500 conts per night, it must appear manifestly that unless 20 lodging houses contained an average of 800 regular lodgers it would be impossible for the landlords or proprietors to pay the rent and carry on the houses. I see nothing extraordinary in the fact of such registration or of that number of voters from the lodging houses.

But unless the alleged wrongs or frauds or bribery are in some way connected with the contestee or with the men who were sup-porting the ticket on which his name appears, all evidence con-cerning false registration and bribery must fail so far as this case is concerned.

So much for the testimony of Patrick Lynch. He proves nothing. The next witness is William L. Wilson. His statement is that on the election day in question he lived in the house called the Bismarck, No. 9 Mulberry street; that he voted from that number; that he knows Dan O'Rourke; that O'Rourke is the Tammany per; that he knows Dan O'Rourke; that O'Rourke is the Tammany captain in that district; that he saw O'Rourke around the polls on election day; that in the presence of ten or eleven men, of whom the witness was one, the witness asked O'Rourke, "What was into it?" and he said, "Two hundred." In answer to a question he said that by two hundred O'Rourke meant \$2.

How he knew what O'Rourke meant does not appear. Then the witness testifies that O'Rourke asked him, "Where are you from?"

The witness stated where he was from, and O'Rourke answered,

"I am not buying any votes out of the Bismarck." The witness further testifies: "I went right away then. When he said he wasn't buying anybody out of the Bismarck I went away. I seen I couldn't get nothing." He testifies that there was another young man assisting O'Rourke, but that he didn't know who he was. He further testifies that O'Rourke said to the ten or eleven men who were standing around, "There was two hundred in it. Go ahead. Push it along." He further testified that he knew the men who were standing around when Dan O'Rourke said there was two hundred in it; that they all lived in the Bismarck. He afterwards modified that statement by saying that five of them lived in the Bismarck, and that the others registered out of the Globe, on Park Row. Globe, on Park Row.

He was asked to give the name of any one of these men who were standing around at the time that O'Rourke made this very important statement, and although five of the men were living with him at the Bismarck, he testified that he did not know the name of any of them, because "they all have nicknames, such as Jack, Bill, John, or something else." The witness further testifies that he voted on that day, but was not paid anything for his

Mr. LONG. May I ask the gentleman a question?
Mr. MAGUIRE. Wait a minute. To the question, "Did you see anyone paid for their votes on election day?" he answered, "No, sir." He testified afterwards that he knew of his own knowledge that several men were paid for their votes, but that he could not tell the right name of any of the men.
Mr. LONG. Now will the gentleman permit me to ask a prestice.

question?

Mr. MAGUIRE. Yes.

Mr. LONG. Des the gentleman believe, in the light of that testimony, that these men lived at those lodging houses for years, they did not know each other's names? when they did not know each other's names

Mr. MAGUIRE. I do not see anything in this testimony inconsistent with it. This witness was simply lying. That is all there is about that, and the rest of his testimony clearly shows it. He was not with five other men from the Bismarck at that time.

Mr. TAYLER. Does the testimony of that witness show that Dan O'Rourke was a Tammany captain?
Mr. MAGUIRE. No; I think not.
Mr. TAYLER. Does he not say so, or is he a liar?
Mr. MAGUIRE. He shows no knowledge of it.
Mr. TAYLER. He is asked:

Do you know John O'Rourke? A. Yes, sir.

A. Yes, sir. Q. Is he the Democratic captain of that district? A. Yes, sir.

Mr. MAGUIRE. Yes.
Mr. TAYLER. Now, one other question. Did Dan O'Rourke ever deny that witness' testimony?
Mr. MAGUIRE. As to what?
Mr. TAYLER. As to anything.
Mr. MAGUIRE. I think not.
Mr. TAYLER. That he was a Tammany captain, or that he had paid witnesses or parties to vote.

Mr. TAYLER. That he was a Tammany captain, or that he had paid witnesses or parties to vote.

Mr. MAGUIRE. I think not. There is no testimony here that he paid voters to vote for anybody, or at all. The evidence is that he said he would not buy the votes of Wilson and the others who offered their votes for sale to him.

Mr. LONG. Will the gentleman in that connection also refer to the evidence on page 151 of the record, where the reason is given why O'Rourke would not buy anybody out of the Bismarck, somebody else having been designated to look after that house?

Mr. MAGUIRE. I will come to that later.
Mr. LONG. Very well; I hope the gentleman will.
Mr. QUIGG. They do not duplicate, in this system.
Mr. MAGUIRE. The witness further testified that one of the

I understand the gentleman will refer to that later. Mr. MAGUIRE. I will refer to that later. The witness further testifies that one of the men was named Wolf, and that he lived testifies that one of the men was named Wolf, and that he lived at No. 9 Mulberry street, in the Bismarck; that "some other man" paid Wolf for his vote; that he could not tell who the man was; that he didn't see the money paid to Wolf; that the way he knew that Wolf was paid for his vote was that Wolf gave him (the witness) a drink out of the money; that he could not tell whether Wolf was telling the truth to him about getting the money or not. When asked the following question: "What did he (Wolf) tell you?" he answered: "He says 'Come on and have a drink; I have got a quarter.' I says 'What did you get it for?' and he says 'For my vote."

Q. And that is all you know about it?
A. Yes, sir.
Q. And that is all you know about anything being paid on election day for their yotes?
A. Yes, sir. (Pago 153.)

The witness further testifies that, prior to the election, he lived at the Bismarck four or five years continuously, and voted out of

there three or four times. The testimony of William L. Wilson, from beginning to end, is that of an unscrupulous, common blackguard, who tried to sell his vote to Dan O'Rourke, who, he says, was a Tammany captain in the thirty-fifth election district, and whose vote O'Rourke refused to buy, and, after vainly attempting to sell his vote, he finally voted without pay at half past 3 o'clock in the afternoon.

o'clock in the afternoon.

The next witness whose testimony is cited in the report of the majority is John Reilly. His statement was made before William A. Hoar, before whom the statement of the last witness was also made. And here I may as well state the views of both the also made. And here I may as well state the views of both the majority and the minority concerning the position of William A. Hoar, who acted as a notary public in the taking of this testimony. Mr. Hoar at the time of the taking of the testimony was not a notary public and was not authorized under any law to administer an oath or to certify to the testimony in a contested election case. Mr. Hoar had been a notary for Kings County, N. Y., in which he had resided. For the purpose of taking this testimony, or shortly before the taking of this testimony, he removed from Kings County to the city of New York, thereby vacating his office under the law of New York. He was selected by the contestant as the notary before whom these witnesses should be examined. He had no authority to administer oaths, and no process. examined. He had no authority to administer oaths, and no proseexamined. He had no authority to administer oaths, and no prosecution for perjury could be instituted or maintained against any witness who testified before Mr. Hoar because of the falsity of any testimony there given. The testimony of Wilson and of Lynch, and I think the testimony of Sanford, though I have not time to ascertain, was all taken before this unauthorized notary.

Mr. LONG. What is the statement of the gentleman from California on that point?

Mr. MAGUIRE. It is that the testimony of most, if not all, of the witnesses of whose testimony I have spoken was taken before

the witnesses of whose testimony I have spoken was taken before William A. Hoar, who was not a notary authorized under the law Mr. LONG. Certainly the gentleman does not wish to make that statement to this House.

Mr. MAGUIRE. Yes, sir; I do.

Mr. MAGUIRE. Yes, sir; I do.
Mr. LONG. Do you claim that the testimony of John Sanford was taken before Mr. Hoar under such conditions?
Mr. MAGUIRE. I said that I was not certain about the testimony of Sanford, but that is my recollection.
Mr. LONG. Was not that testimony taken before Mr. Hoar after his appointment as a notary for the county of New York?
Mr. MAGUIRE. I have not before me the date of the taking of that testimony, nor have I the date of Mr. Hoar's appointment. I find, however, that the testimony of Sanford was taken before William A. Hoar.

William A. Hoar.

Mr. LONG. You do not claim that the witnesses in the thirtieth district, Lynch, for instance, testified before Mr. Hoar?

Mr. MAGUIRE. I have been speaking of the witnesses con-

cerning the five districts.

Mr. LONG. He is one of them. Does the gentleman say that the testimony of Hermin, in the thirty-sixth, was taken before Mr.

Mr. MAGUIRE. I have not charged my memory with it. minority report states what testimony was taken before Mr. Hoar.

Mr. LONG. I am speaking of the facts.

Mr. MAGUIRE. Patrick Lynch's testimony was taken before
Mr. Hoar—no; I do not mean Lynch, I mean Reilly. The testimony of Sanford, of Wilson, of Reilly, of Hermin, and of McLondon

ald was taken before him.
Mr. LONG. You stated that the testimony of Lynch was taken before Mr. Hoar

Mr. MAGUIRE. No, sir; I said that I was mistaken about Lynch. I meant Reilly's testimony.

The next witness whose testimony is cited by the majority in before Mr. Hoar, who, as I have said, was not authorized to administer an oath, and this testimony is therefore without the sanction of an oath. Hermin testified that he resided at the Grand Windsor Lodging House, No. 9, Chatham square, that he registered at the last election at the request of the night clerk of the lodging house, that the night clerk of the lodging house promised to give him \$3 for registering, but did not give him anything. I read from his testimony:

Q. Did you see the night clerk on election day?
A. Yes, sir; I seen him in the morning, between 11 and 12. I can't tell what time positively, because I was about half drunk when I met him. I did not intend to vote at all, but he said, "Go and vote; you are good for the money."
Q. Did he tell you the ticket to vote?
A. The Democratic ticket.
Q. Did he tell you to see anybody on election day?
A. Yes, sir; and I got \$2 from a man in Mike Callahan's, right inside, in the back room, and he had a roll of bills there.

This witness further testified that Mike Callahan's was a respectable house and saloon, and that the night clerk did not pay him the money.

Who paid it to you? Oh, I suppose some assistant in Mike Callahan's, it must be. Who was the night clerk?

Now, Mr. Speaker, what connection did the night clerk have ith the contestee? There is nothing in the case to show that he with the contestee? had any connection either with contestee or with Tammany Hall.

Again, what ticket did the night clerk ask the witness to vote?

The Democratic ticket, the witness says. My recollection is—
Mr. QUIGG. I appeal to the gentleman to continue the reading of Hermin's testimony. The rest of it is extremely significant.

Mr. MAGUIRE. I will continue the reading of Hermin's tesand in that testimony I will refer the gentleman

Mr. QUIGG. The gentleman in what he was reading just now stopped at the answer, "Oh, some assistant in Mike Callahan's." What immediately follows is very significant, I think.

Mr. MAGUIRE. What is the gentleman reading from—from

the brief?

Mr. QUIGG. From the brief.
Mr. MAGUIRE. The part of the evidence to which the gentleman refers is not before me now, but I will read it from the record if the gentleman will give me the page.
Mr. TAYLER. It is on page 193—about the middle of the page.
Mr. MAGUIRE. I will first refer the gentleman to pages 549, 550, and 551—the testimony of Frank Hermin. I have already read his testimony as to his being hired to vote the Democratic ticket, as to his having voted by a man remed Mike Callabar. having gone into a saloon owned by a man named Mike Callahan and receiving a dollar from somebody who he presumed was an assistant of Mike Callahan. He testifies on page 549 and the following pages how he came to give that testimony, and that it was false; and he testifies to how he came to be a witness in the case:

I was picked up by a man named Nathan. Asked me to come and have a drink. We had several drinks, and he brought me down and said, "If you come down hore you will make all kinds of money. Come down to 44 Pinc street—to Rawson's office, attorney for John Murray Mitchell." Had several drinks before I went there. Half drunk when I got there. I had a bottle of beer in the office of Mr. Rawson. " Nathan said that I could make \$10 to \$50 and a suit of clothes out of it before the thing got through.

Nathan was one of the clerks in the office of Mr. Rawson, the Natural was one of the clerks in the olines of Mr. Rawson, the extorney for John Murray Mitchell; and the man to whom these propositions were made is one of the principal witnesses of Mr. Mitchell, produced to show bribery in one of the districts, and whose testimony is cited and quoted by the majority of the committee in its showing of evidence supposed to be sufficient to overturn the election of Mr. Walsh, as certified to this House, and to instif the House in unsetting him. The witness continues. justify the House in unseating him. The witness continues:

justify the House in unsenting him. The witness continues:

Nathen paid for my lodging that night. We had several drinks together; went to bed pretty well drunk. Saw him next morning. Had drinks with him. He brought me down to Rawson's office. He called me one side and asked me, "Don't you want to go up to New London?" Saw Nathan following day. Took me down to Rawson's office. He called me one side and asked me, "Don't you want to go up to New London?" Saw Nathan following day. Took me down to Rawson's office. He called the the fit of the saw I want to night." He showed me a two-dollar bill and a one. Saw him next morning. Went again to Rawson's office. Had several drinks on the way down. I had a bottle of whisky in my pocket when I got to Rawson's office. Nathan bought it for me at No. 9 Bower, and when I went into the office I was pretty well full; and in that condition I gave my testimony. After that I went to New London; four men with me—McDonald, Bernstein, Paddy Ryan, and another. Saw Mr. Mitchell when I came down. He treated me to a couple of whiskies and one cigar—three rounds. I received \$1 that night from Mr. Cochran, a witness in this case. The following Sunday Cochran gave three of us a half dollar apiece to come down the following Wednesday. Wentdown the following Wednesday; Bernstein gave me half a dollar. I had a couple of drinks before I signed my testimony—Bernstein and I. At New London I stopped at the Hoffman House with a man named Ryan—Lynch, Bernstein, McDonald, and myself. We were all pretty well drunk up there.

These men named by Hermin are the principal witnesses of the contestant, by whose testimony concerning alleged conversations that they had with voters whom they did not know, and with alleged Democratic workers whom they did not know, and could not name and could not describe, the majority of the committee undertake to show fraud and bribery in these several districts. Here is more of Hermin's testimony:

I saw plenty of beer in Mr. Rawson's office. We had all we wanted to drink at New London. I did not pay a cent for it; Mr. Rawson's agents paid for it.

As we london. I did not pay a cent for it; Mr. Rawson's agents paid for it.

Mr. QUIGG. From what page is the gentleman reading?

Mr. MAGUIRE. I am reading a condensation of the evidence. It runs over pages 549, 550, and 551. I have not time to read in full the questions and answers, or I would gladly do so.

Mr. LONG. Will the gentleman allow me a question?

Mr. MAGUIRE. Yes, sir.

Mr. LONG. Did the contestee introduce any evidence to controvert or refute the statement of Mr. Hermin?

Mr. MAGUIRE. Why, sir, Mr. Hermin testified that he did not know whether he voted the Democratic or the Republican ticket on election day; and he did not know that he voted at all. What need was there of contradicting Hermin? And let me say to the gentleman from Kansas that the record introduced by the contestant shows that Hermin did not vote at all on election day.

Now, sir, the testimony of all the witnesses whose testimony is

Now, sir, the testimony of all the witnesses whose testimony is cited and quoted in the majority report in support of the findings of the committee is of that character throughout. Most of it was taken before Mr. Hoar, who was not authorized to administer oaths, a fact which the contestant must have known when he selected him to take the testimony of these thrice-perjured and unworthy witnesses, who according to their own testimony were of

the basest character, ready to sell votes and testimony for the

Mr. QUIGG. I want to call the gentleman's attention to the record on page 565, giving the testimony of Hermin subsequently to the incidents about which the gentleman has been reading, He read from this part of the record a while ago but stopped short at the statement about the witness going into a back room at Mike Callahan's. I want to call the gentleman's attention to these questions and answers, beginning near the top of page 565:

Did the night clerk pay you the money? No, sir." Is that correct?

Correct. "Who paid it to you?—A. Some assistant in Mike Callahan's." Is that

That is right.
"Did this night clerk turn you over to that man?—A. Yes; he said, "This is all right"; in fact, he said two of us were all right."
That is right.
"Did you give that man any money?—A. Yes, sir."
That is right, sir.
"How much?—A. He gave me two one-dollar bills."
That is right, sir.
"Did you say you voted on that day?—A. Yes, sir."

And he corroborates this whole testimony.

Mr. MAGUIRE. The record shows that he did not vote. He testified once that he did not vote, that he did not know whether he voted at all or not, and did not know what ticket he voted.

Mr. QUIGG. This is a statement of his evidence, and he pro-

nounces it corre

Mr. MAGUIRE. He states in the first instance that some-body—a night clerk in some lodging house—hired him to vote—

Mr. TAYLER. To vote the Democratic ticket.
Mr. MAGUIRE. Not the Tammany Hall ticket, but the Democratic ticket. Now the fact is, he did not vote any ticket at all, and the record shows it.

and the record shows it.

Mr. QUIGG. Does not the gentleman know that in the Democratic State convention in New York all the contestants were turned out and Tammany Hall alone seated?

Mr. MAGUIRE. I know nothing that is not in the evidence in this case. That is the only knowledge with which we have to deal. I have not gone outside to find facts concerning this case, or to learn the current history of politics in New York, from the reports of either Democratic or Republican politicians.

Mr. QUIGG. I hope some of the Tammany members will say that their party is not the Democratic party. I am listening for

that admission

Mr. MAGUIRE. Unless it is in the record, you will not be gratified with such an admission, so far as I am concerned. I am discussing this case from the record—the only standpoint from which this House can consider the case, if it is to be considered judicially, and if it is not to be so considered we may as well submit in silence to your prejudgment; for you have the power to do

wrong.

Now, Mr. Speaker; I have not attempted to go through the testimony of each witness; there is not time; but I say that all the testimony on behalf of the contestant is just as vague, just as inconclusive, just as incomplete, as that which I have analyzed and cited to the House. Most of the testimony concerning alleged bribery is by witnesses who say that "they learned" that men were bribed by talking with the men afterwards in the saloons, and hearing them say that "they had received money," and stating the amount they had received. But nowhere is there any testimony showing that they stated, even in these conversations, that they had voted for Mr. Walsh, or voted any ticket on which his name appeared, or that anybody who had been instrumental in securing the votes mentioned for Mr. Walsh had heard the witnesses say that they had voted for him.

Now contestant, as to some of the people who are alleged to

Now contestant, as to some of the people who are alleged to have committed these frauds—these election frauds in the interest of contestee, and against the contestant—ought to show something of that kind; for upon no other theory can the contestee be un-

of that kind; for upon no other theory can the contestee be unseated and the contestant seated.

These men who testify to having sold their votes on election day, at from one to two dollars apiece, are shown by their own testimony, and that of their associates, to have been gathered up by four or five employees of the contestant's attorney, given money, and board, and lodging, and drink, and some of them clothing, right along for a considerable period before they testified and were herded at Harlem, or in the town of New London, by the agents and representatives of the contestant's attorney; given money enough and food and drink, and other things of value to them, to a certainty to procure such wretches to testify to anything that they might be asked to testify to. And yet, after all, they do not give anything but hearsay evidence, evidence of the very poorest kind. They do not even name the men who told them that they had been bribed. They deny remembering the names in almost every case, and one of the witnesses who mentioned the name of four men that he claims had been bribed to vote the Democratic ticket within his knowledge, named three men who it was ascertained did not vote at the election at all.

That is the character of testimony upon which you are asked to

nnseat Mr. Walsh.

The SPEAKER pro tempore (Mr. Grosvenor). The time of the gentleman from California has expired.

Mr. MAGUIRE. I just desire to say, Mr. Speaker—I had not expected the gavel to fall so soon—that if there is a lawyer on the Republican side who can take the majority report and the testimony and, examining them judicially, say that there is evidence sufficient to justify any court in this land in upholding any of the findings of the majority of the committee, I shall be exceedingly surprised. I venture to assert that if this House, on the evidence that is before it in this case, shall unseat Mr. Walsh, no crime that Tammany Hall ever committed would be would be worse than that act. I venture to say, further, that if any court in this than that act. I venture to say, further, that if any court in this land would declare judicially that Mr. Walsh is not entitled to a seat, and that Mr. Mitchell is, on that evidence, the judge would be subject to impeachment, and that the very House that will accept such evidence as sufficient in a political case to support this great wrong would impeach the judge who rendered such a decision or matter to what party he belowed cision, no matter to what party he belonged.

Pay the Honest Claims of Private Citizens.

SPEECH

HON. JOSEPH H. WALKER,

OF MASSACHUSETTS,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 8, 1896.

The House having under consideration the bill making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30,

Mr. WALKER of Massachusetts said:

Mr. WALKER of Massachusetts said:

Mr. SPEAKER: I do not know personally a man, woman, or child that will be benefited by one dollar of the French spoliation claims or the Bowman Act claims that were awarded from the Court of Claims in the vetoed bill. Neither do I know that there would a single dollar go into the district I have the honor to represent. I am interested in this purely from a sense of justice.

There is, however, a claim for \$66,970 on the Calendar of this House as justly due to the heirs of J. C. Howe and to Sullivan Forehand and others, my constituents and neighbors, from the United States Government, as any sum, ever due from any men.

Forehand and others, my constituents and neignbors, from the United States Government as any sum ever due from any menber of this House for the food that has nourished his wife and children or the clothes that cover their backs or the shelter that has covered their heads. Not only did the officers of the Government rob these people of their property, but they compelled them to spend good money in prosecuting their cause through the courts. This will take a very large part of this \$66,000, if they ever get it. This good money, spent in costs by these people, and the accumulated interest thereon, will eat up the whole sum, if not soon paid. not soon paid.

not soon paid.

For sixteen years have they been pleading for justice. Thus the Government, appropriating their property in the most unjust manner in 1868, after the war had closed, refused them any compensation and compelled them to pursue their cause through the This claim has been unanimously approved and reported to the Senate in three successive Congresses; it has passed the Senate twice and is now on our Calendar and only fails to pass the House because I am not allowed to bring it before the House.

This is the way justice is meted out to our citizens. This is no exceptional case, Bills for hundreds of just such claims are on the Calendars. A few of our citizens who were robbed by the strong arm of their own Government, which many of them fought

on the Calendars. A few of our citizens who were robbed by the strong arm of their own Government, which many of them fought to support in the days of its trial, were allowed a chance to pass their bills in the Republican Fifty-first Congress, practically none of them in the Democratic Fifty-second and Fifty-third Congresses, and now, in this Republican Fifty-fourth Congress, scarcely one is allowed to come before this House in the regular way. Such outrageous treatment of citizens of the United States by their own Government is justly condemned. The cheek of every man ought to blush in shame and indignation at the action of Congress, Democratic and Republican alike, and still more that the Chief Executive of the nation, in the pride of his power, should lend himself to this bad cause in the perpetuation of the spoliation of the helpless ones he has sworn to succor and defend. This is what governments are instituted for among men, and this is what ours has failed to do.

In the words of another:

In the words of another:

emble for my country when I remember that God is just.

All history, sacred and profane, justifies the declaration of Holy Writ that "Righteousness exalteth a nation, but sin is a reproach

of any people." And again, "He that oppresseth the poor to increase riches, and he that giveth to the rich, shall surely come to want."

to want."

No Congress has excelled this House in inviting the judgment of God in robbing the poor, in denying them their just dues, if it sustains this veto of the spoliation claims and the claims awarded our citizens under the Bowman Act, established in the Court of Claims; and also in giving to the rich, at the same time, by appropriating \$70,000,000 for rivers and harbors. This is taking the bread out of the children's mouths to heap up riches.

Why this injustice? Why are the just dues of our people put off year by year and from generation to generation? Perish the thought that it is because there are votes in such a course. Perish the thought that men are willing to hold their places in this

ish the thought that men are willing to hold their places in this House at the price of blood, but it still remains that cheap glory may be gotten by a parade of economy in saving money to the may be gotten by a parade of economy in saving money to the public Treasury in refusing to appropriate the money to pay an nonest debt. Only one vote, at the most, is thus to be lost, while a score of votes may be gained by getting an appropriation to spend thousands, and even millions, of dollars yearly in one's "deestrict." It can not be that this in any way accounts for the appropriation of \$70,000,000 a year for rivers and harbors, and when \$1,500,000 can not be gotten out of the House to pay honest debts to our citizens accumulated in the period of thirty years. What miserable subterfuges are resorted to in justifying members

in such a course!
"Some of these 700 claims are unjust and ought not to be paid," forsooth! Shame on such pettifoggery. Have there ever been 700 claims decided by any court and jury, in the most carefully tried and hotly contested cases, where some of the verdicts were not contrary to abstract justice? Are not courts fallible? And shall we refuse to enforce any of the judgments of any of our courts because, forsooth, there may be some of them in error? I venture to assert that never in any 700 cases tried by any courts can so few erroneous judgments be found as in the 700 awards in the United States Court of Claims that this House proposes to repudiate the payment of. This is the miserable showing of the opposition in this debate.

I had rather hand down as a legacy to my children the memory of the burning words I have spoken in this House in denunciation of such wicked denial of justice as is involved in failure to vote to pay these vetoed claims than to deck them with all the honors the members of this House can ever attain in preaching and voting that economy in expenditure must rest on the tears and blood of thousands who are pleading for their own at our recreant hands.

I know my people, and I think they are like the people of other districts. I know they would resent with scorn any action of their representative that sought any saving of money for any profit to them in any act of injustice to any human being. demand of me my utmost endeavors to secure justice to every citizen, at any cost in blood or treasure.

Strong words have been said. Yes, and they are required, to fittingly rebuke such injustice. Every one of us knows that a man gets no recognition and none of his rights and no hearing in this House who does not fight for them. This grievous system in legislation can only be corrected by agitation. Every honest man should cry aloud, and spare not. Such things as I am protesting against sow the seeds of socialism, of communism, and even of anarchy. They cause the poor and the weak to forget God in their wrath, in the injustice they suffer.

When shall these things end?

Rivers and Harbors.

SPEECH

HON. JOSEPH WHEELER.

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, April 6, 1896.

The House having under consideration the bill (H. R. 7977) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. WHEELER said:

Mr. WHELLER said:
Mr. Speaker: I have never opposed a river and harbor bill. I
believe that there is no duty so important as for the Government
to relieve the people of the burden of taxation which they are
compelled to bear for the transportation of their products to the seaboard. God gave us these rivers in their crude state, and it is our duty to prepare them so that they may be navigable and use-ful for the purposes of commerce and to supply the wants of the The gentleman from Tennessee [Mr. WASHINGTON] said that this bill was fair to all sections of the country. The Tennessee River, the third in importance of the rivers being improved by the country, I regret to say, has not had one-tenth of the appropriation which it usually has to carry on the important work now in progress on that stream. That river drains a section of the country connected closely with what is fast becoming the center of the iron industry of the world, a character of freight of more value than any other kind of freight and of more value than any other kind of freightage known weight and of more value than any other kind of freightage known to commerce.

ALABAMA'S IRON AND COAL INDUSTRIES

The enormous increase of coal and iron in Alabama is attracting the attention of the world. The annual average production of Alabama pig iron for the last three years has been 744,858 gross tons. A comparison of these figures with the production of foreign countries shows that Alabama now produces almost as much pig iron as Russia or Austria and Hungary, more than Belgium, almost twice as much as Sweden and Norway, three times as much as Spain, and ten times as much as the combined total production of Canada, Mexico, Africa, Australia, Japan, India, Greece, and Italy; and in a few years it will produce more of this metal than any other country on earth, except Great Britain, and its production will not be equaled by any State in the Union except Pennsylvania. Pennsylvania.

Alabama's great progress in iron industries is largely due to the exceptional advantages enjoyed by having all the materials for making that metal in great abundance, in close juxtaposition, and so near the surface that they can be assembled and manufactured into iron of a superb quality cheaper than at any other place in the world.

This was the condition as far back as 1890, and since that time the economies adopted have very materially reduced the cost of production.

ALABAMA IRON CHEAPEST IN THE WORLD.

Again, the iron ore, lime rock, and coal are so easily mined that plantation negroes become efficient with a few weeks' experience, and within three months they become good miners of coal. To show the result of these advantages, I give the exact figures of the cost of the principal items in 1891 and 1895:

Cost to ton of pig iron.	1801.	1895.
Ore, coke, and lime rock	\$7.795 1.777 .50	\$4.1025 .9143 .257
Total	10.072	5. 2738

Of course it would not be fair or correct to say that iron can

Of course it would not be fair or correct to say that iron can be produced in Alabama at \$5.2738 per ton, because we must add the cost of maintenance, relining, and other repairs, interest on capital, and actual value of materials on the ground.

But the great future prosperity of Alabama is doubly assured by the late successful experiments in the manufacture of steel. After years of struggle with this problem, involving disappointments, misfortunes, and losses, we are now producing in one of the Alabama furnaces, from materials in the immediate vicinity, a superior quality of pig suited to the basic open-hearth steel process, holding both sulphur and silicon below the limit prescribed by the best German practice. The daily output at present is but 150 tons, but plans are being perfected for the rapid development of this industry.

Following the successful inauguration of a steel plant behind

Following the successful inauguration of a steel plant behind which is the cheapest fuel and pig iron on the globe will come iron and steel manufactures of every character, and I confidently assert that at no distant period Alabama will become the center of the iron and steel industry of the world.

ALABAMA IRON SOLD IN ENGLAND.

Alabams is now profitably shipping her iron to England in such immense quantities that the London Iron and Coal Trade Review, in referring to the arrival of several cargoes of Alabama iron,

England is threatened with an invasion of American pig iron. This is one of the most serious blows to the supremacy of Great Britain as a manufacturing nation.

The reason for our rapid growth in iron industries is that within the limits of the Alabama mineral fields and those immediately the limits of the Alabama mineral fields and those immediately adjacent there are more coal, more iron ore, more valuable timber, and more oil than in any other section of the United States, comprising varieties from the finest coking to the best steam, domestic, and gas coals, and including the largest deposit of cannel coal in the world. The iron ores, in quantity, quality, and variety are greater than in any other section, from the high phosphorus basic ore, carrying 3 per cent and more of phosphorus, down to the cranberry Bessemer, carrying less than 0.05 per cent. ALABAMA'S MINERAL WEALTH.

The wealth of the mineral region of Alabama is by no means confined to its mines of iron and coal. In addition to these pro-ductions oil and gas are found in inexhaustible quantities. Building stone of superior quality exists without limit, and quarrying would become a more general industry were it not that other vocations are more inviting.

Gold has been mined for many years in the State, and the late discoveries in the Arbacoochee district gives promise of the development of ore of a very rich character.

Bauxite, or the ore of aluminum, exists in large quantities in the Coosa Valley in Alabama, extending up the valley into Georgia. This valuable mineral has also been found in Arkansas and gia. This valuable mineral has also been round in Aranasas and New Mexico, but up to this time it has not been discovered at any other point in the United States.

The mineral conditions which exist in Alabama are also enjoyed.

The mineral conditions which exist in Alabama are also enjoyed.

The mineral conditions which exist in Alabama are also enjoyed in equal richness and abundance in the adjacent parts of Tennessee and north Georgia, which is designated as the Chattanooga iron district. The vast iron works which have been erected at Chattanooga and vicinity, and Sheffield, Florence, and Decatur, further down on the Tennessee River, must have water transportation for their products. These enterprises were inaugurated under a promise by Congress that the work to open the Tennessee River to navigation would be pressed forward with all possible rapidity, and for the Government to allow this work to drag along with inadequate appropriations is doing the greatest injustice to these inadequate appropriations is doing the greatest injustice to these enterprising people.

Pensions.

REMARKS

HON. WILLIAM E. ANDREWS,

OF NEBRASKA.

IN THE HOUSE OF REPRESENTATIVES.

Wednesday, June 10, 1896.

Mr. ANDREWS said:
Mr. Speaker: I desire to submit for the information of the House the following resolutions and report relating to private pension bills. I ask that the resolutions and report be read in full in my time.

The Clerk read as follows:

The Clerk read as follows:

Whereas marked confusion and delay have resulted from the want of some uniform rule in the consideration of private pension bills: Therefore Be if resolved. That it is the sense of the House that all private pension bills should be drawn according to the rates of pension indicated by the general pension laws unless the evidence should clearly show that a higher rate is justly required to relieve actual distress, the question of the soldier's rank being considered wholly immaterial in determining an exceptional rating. Resolved, That all recommendations from committees should be in harmony with the sentiment of the foregoing resolution.

Mr. Andrews, from the Committee on Invalid Pensions, submitted the following report:

with the sentiment of the foregoing resolution.

Mr. Andrews, from the Committee on Invalid Pensions, submitted the following report:

"Your Committee on Invalid Pensions, to whom were referred the resolutions (H. Res. 341) relating to private pension bills, have considered the same, and report as follows:

"Said resolutions seek to economize the time and labor of the House in the consideration of private pension bills. Such bills are usually drawn at rates much higher than those indicated by general pension laws, and consequently much time is consumed by committees and by the House in making amendments as to rates. If such bills were drawn according to rates fixed by general pension laws, and each bill were accompanied by a brief of the necessary evidence when it reaches the proper committee, many meritorious bills could be passed in the time frequently consumed by repetitions of opinions relative to exceptional ratings. It is assumed that the members of the House will readily recognize the benefits that could thus be conferred upon many deserving soldiers whose bills ought to be passed immediately.

"If the rates fixed by the general pension laws are not fair and just, a bill removing unjust discriminations should be put upon its passage immediately and enacted into law.

"Thus one discussion would settle the question of rates, and Congress would be relieved of a large volume of business which would be and ought to be transacted through the Pension Bureau. The adoption of the resolutions would give a rule of action to members, committees, and the House in the transaction of business relative to private pension bills; and your committee therefore recommend that said resolutions be agreed to."

Mr. ANDREWS. I introduced these resolutions in the House

Mr. ANDREWS. I introduced these resolutions in the House on the 18th of last May. They were referred to the Committee on Invalid Pensions. They were duly considered by that committee, and I was instructed to report them to the House with the recommendation that they be agreed to. They would have been called up for action if the way had not been obstructed by an unyielding objection to a request for unanimous consent for their consideration. I think the members of the House realize the necessity for some definite rule of action in such matters.

definite rule of action in such matters.

It would be a protection to members, committees, and the House, and would avoid unjust and unreasonable discriminations.

It is hoped that the objection which has prevented an early consideration of these resolutions will not interfere with their adoption in the early part of the next session.

Silver and Money.

REMARKS

HON. JOS. W BABCOCK.

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES.

Monday, June 8, 1896.

Mr. BABCOCK said:

Mr. SPEAKER: Under the leave which has been granted by the House I desire to make some practical observations on silver and money, and especially on the proposition that the United States should open its mints to the gratuitous and unlimited coinage of silver at the rate of 16 to 1.

And in doing this I can best express my views in a simple and easily understood manner by adopting as my own a conversation on the subject on three evenings between Mr. Smith, a practical business man and careful student of finance; Mr. Jones, an intelligent farmer; Mr. Vance, formerly a Greenbacker, now a Populist and silver man, and Mr. Burns, a common-sense laborer.

THREE EVENINGS WITH SILVER AND MONEY—A TALK OF FOUR NEIGHBORS ABOUT MONEY AND SILVER.

First evening.

These four neighbors chanced to meet one evening at the house fone of their number. As these are times when all good citizens of one of their number. are thinking, studying, and debating this question, they naturally

began talking about it.

Mr. Jones opened the conversation by remarking that he had been reading one of the numerous pamphlets written and distributed by an association supported by silver-mine owners, which seeks to have the United States, by itself and alone among the commercial nations of the world, open its mints to the free and unlimited coinage of silver at a ratio of 16 to 1, and he asked Mr. Smith to give his ideas of the proposition.

Mr. Swith Well we have an evening before us; and as I

Smith to give his ideas of the proposition.

Mr. Smith. Well, we have an evening before us; and as I have had considerable experience in business affairs, and have given a good deal of study to money problems and am interested in them, I always like to talk with intelligent, practical men on these subjects, and I find that their experience helps me to a better understanding of such questions. The subject is too big a one to cover in one evening. But I would be willing to come here several evenings, until we have gone over the whole subject.

cover in one evening. But I would be willing to come here several evenings until we have gone over the whole subject.

Mr. Jones, Mr. Vance, and Mr. Burns (speaking at the same time). That is very kind of you, Mr. Smith; we want to be sure that we have the right understanding of this money question.

THE NATURE AND USES OF MONEY.

Mr. SMITH. Now, the first thing we need to do is to obtain a clear idea of what money is, and what are its uses in modern business, that we may be better able to understand the points at issue. Of course we all know that money is the standard or measure of the values of all products, the financial yardstick, so to speak, and also the tool of exchange, by which I mean it is a substance which, by common consent, is accepted by everybody as equivalent in value to that which is sold. Before this common as equivalent in value to that which is sold. Before this common medium of exchange was adopted the primitive world had to resort exclusively to barter, or a direct exchange of one product for another. This was a very bungling, unsatisfactory method of making exchanges. For instance, "A" had a certain article which he did not need. He had to hunt up some one else—B, for instance—who did not have what A had in surplus and did have have what A was short of.

Mr. Jones. Oh, yes; I remember reading that in very early times this common medium of exchange which we call money was oxen, and in the early Roman period it was sheep; still later iron; then silver, first weighed out to the purchaser and subsequently coined; and then gold. I have read that the precious metals when used as money were not coined at first, but weighed in each transaction. I remember the account in the Bible of Abraham's purchase of a burial ground with a certain weight of silver. On account of the trouble of weighing and dividing the silver. On account of the trouble of weighing and dividing the silver or gold in each transaction, convenience naturally suggested that the government of each country should divide the silver or gold bullion into pieces of different weights and stamp one fixed designation upon the various pieces of the same weight and another designation upon the pieces of another weight, which would in effect be a certificate of the weight of each that could be relied upon as accurate. This is what coinage practically is.

Mr. SMTH. That is true. And you will notice that as any people have advanced in civilization the article selected by common consent as this common medium (for law simply recognizes what common consent has already adopted) has been less and less bulky and clumsy. China and India find silver alone adapted to their conditions. Every modern first-class commercial nation can not

successfully do its business without gold for the larger transactions and for the settlement of foreign balances as well as for reserves. But in all times property money—that is, money of intrinsic value and therefore money of final redemption—has been some product which possessed value aside from its use as money, because no one who had a valuable product would exchange it for anything else unless it had an equivalent value.

THE FIAT IDEA OF MONEY.

Mr. VANCE. This is where you and we Greenbackers, or Populists, differ. I am willing to sell my labor or any other valuable thing I may have for a bit of almost valueless paper called a greenback, on which is printed the stamp of the Government, with the figures on which is printed the stamp of the covernment, with the figures \$1, \$2, \$5, etc., or for a piece of paper issued by a national bank with similar figures, or for a similar bit of paper called a silver certificate. Doesn't this show that whatever the law declares to be money is money, and that nothing can be money which is not thus made by the flat of the law?

Mr. Smith. You must remember, Mr. Vance, that the bit of paper called a greenback which we call credit money is a prom-

Mr. SMITH. You must remember, Mr. Vance, that the bit of paper called a greenback, which we call credit money, is a promise of the Government to pay the gold or silver coins which we call property money; and the bit of bank paper is a similar promise of the bank which issues it. The silver certificate or the gold certificate is simply a receipt of the Government showing that the number of silver or gold dollars which it calls for has been deposited in the Treasury, and may be drawn from the Treasury any day that the holder of the certificate desires the deposited coin. All of these pieces of paper are used instead of the ceip which they of these pieces of paper are used instead of the coin which they

represent, for convenience.

During the war of the rebellion we had only paper credit money, which, although declared by law to be dollars, was more or less depreciated below the coin which it purported to represent—the depreciation depending upon the degree of distrust which prevailed at any time as to whether the paper promises would be redeemed in coin or property money. In 1879, when the Government had provided a fund of coin to pay its paper promises as a presented and had approved the property to do a consider the paper promises as presented, and had announced its purpose to do so, armed as the Treasury was with authority to borrow, confidence was restored, and the notes of the Government were everywhere regarded as equivalent to coin and therefore at par.

Property money, that is, coin containing the full value of bullion indicated by the stamp (and all coin that has the privilege of free and unlimited coinage must be of this character), does not need redemption nor the legal-tender power conferred by law to give it currency at its face value, for the reason that it has the same value as bullion before coinage as after. All that the legal-tender quality can confer is simply the power of discharging debts; but as every new debt will be contracted on a basis of the real value of the money on which it is to be discharged this really adds nothing to its value. A dollar note issued by a bank which does not have the legal-tender quality is of the same value of a rescaled delay with a legal-tender quality. greenback dollar with a legal-tender quality.

A FIAT IDEA IN COINAGE.

Mr. Vance. How does it happen, then, that our silver dollar, which you sometimes call a 50-cent dollar when the market value of silver bullion in it is only 50 cents, is just as good in making purchases as a gold dollar, whose bullion is worth 100 cents in the market?

Mr. SMITH. That is because the Government coins the silver dollar on its own account and for its own profit, and does not allow private owners of bullion to have their bullion coined for their own profit. By limiting the coinage and undertaking indirect redemption of this limited quantity, by receiving them for gold duties or for taxes, the Government, as to the 50 cents in excess of the intrinsic value of the standard silver dollar, maintains them at par with gold precisely as it maintains greenback dollars at par.

In other words, the silver dollar is maintained at par by its

practical redemption by the Government, just as our fractional silver coins are maintained, as neither has the intrinsic value which the stamp indicates. France maintains her silver at par with gold in the same way

Mr. Vance. But is not money a creature of law, and can not the Government make anything a dollar that it chooses to?

When Mr. Cheek gave his lecture on money before our club, I remember that we all cheered and clapped when he raised his arm and stamped his right foot and declared that law made money.

and if the people would only have the right lawmakers we could drive the "goldbugs" to the wall.

Mr. Smith. You must bear in mind that while the Government can declare anything to be money that it pleases, yet it can ment can declare anything to be money that it pleases, yet it can declared to be money if it is property money; or, if it is credit money, a redeemable promise to pay property money. The Government can declare a clam shell to be money; may declare every shell a dollar; but the purchasing power or value of the dollar will practically be what clam shells are worth, unless the Government, the direct or indirect redeemation, undertakes to add to its value. by direct or indirect redemption, undertakes to add to its value.

The name dollar given by law to our metal unit of value may be given to anything, but the value of the thing called a dollar, aside from redemption, depends upon the value of the quantity of the substance of which it is made. plus the charge for coinage. The law, under free coinage, may call 25.8 grains of standard gold (the weight of a gold dollar), or 4124 grains of standard silver (the weight of a silver dollar), or half that weight, a dollar, but the piece called a dollar (when its value is not maintained by redemption) will be of the value of the substance of which it is made.

made.

Mr. Jones. If the idea that the "flat" of the law or the stamp of the mintcreates values—making whatever is declared or stamped as money just the value indicated by the stamp—were true, it seems to me it would be useless to have valuable gold or silver for money when it would do just as well for this valuable stamp to be put on an almost valueless piece of paper.

Mr. Saith. You are right. If the Government can make 50 cents' worth of silver bullion worth 100 cents by stamping "one dollar" upon it without redemption, then it would be wrong to do this for private owners of silver bullion without charging them an equivalent for the value added to their property by the Government stamp. With such a stamp as this—more wonderfuthan Aladdin's lamp—the Government would have plenty of revenue without resorting to taxation, and would make everybody nue without resorting to taxation, and would make everybody rich. All of the schemes for depreciating the currency to give relief in times of business depression are outgrowths of the "flat" idea of money.

THE RATIO OF COINAGE.

Mr. Vance. Am I to infer from what you have said that when the Government grants free and unlimited coinage to both silver and gold it cannot fix the coinage ratio between the two?

Mr. Saith. The Government, of course, can fix this ratio by law as it pleases, but unless that ratio is approximately the bullion ratio of the two metals, then the metal which is undervalued by the ratio will not be taken to the mint for coinage, and will be withdrawn from use as money and sold as merchandise, for the reason that it would be worth more as a commodity than as money.

The only metal which would be taken to the mint for coinage The only metal which would be taken to the mint for coinage would be that overvalued by the ratio, in accordance with the well-known monetary law that where two or more different kinds of legal-tender dollars are authorized only the cheaper dollar will be coined and used. If the cheapest dollar authorized is a depreciated paper dollar (as was the case in this country from 1861 to 1879), then neither silver nor gold will be taken to the mint, and the only dollar used will be the cheapest paper dollar, which will be the cheapest paper dollar the precised standard of value are matter what the law become the practical standard of value, no matter what the law

declares to be the unit.

Mr. Buens. When you say that the piece of coined money called a "dollar" can be worth only what the bullion in it is worth under free coinage, you mean that its purchasing power will only be

Mr. Smith. That is just what I mean. When the dollar which is paid the laborer for his day's work is depreciated, the laborer who thinks he is receiving a "dollar" for his labor really receives as much less as the purchasing power of his money may be. And as prices of what the laborer has to buy always rise faster than the price of his labor, he is the man who is always first cheated by

a depreciated dollar.

the price of his labor, he is the man who is always first cheated by a depreciated dollar.

Mr. Burns. I know that is so by experience. I very well know that the workingman always gets the most for his labor when the money is of the best quality—every dollar as good as gold. I remember when the greenback was depreciated, and I thought I was getting \$3 per day, that it took more days' labor to buy anything than it did in 1892; and I do not propose to be drawn into any scheme to make the laborer's dollars poorer than the banker's.

Mr. James. Then it seems to me that the practical standard or measure of value in any country where there are two or more kinds of full legal-tender dollars authorized by law will always be the least valuable dollar, provided they are of different values—no matter what the law declares to be a unit or standard.

Mr. Smith. That is so. Between 1792 and 1834, 371½ grains of pure silver (412½ grains standard silver), and also 24½ grains of pure (25.8 grains of standard gold) were each a legal dollar or unit (a quarter eagle being the smallest gold coin minted), but as that quantity of gold bullion was worth a little more than the silver in a silver dollar, the silver dollar was the practical standard.

From 1834 to 1861 a gold dollar of 25.8 grains (standard) was the practical standard, for the reason that the gold in a gold dollar cost less than the silver in a silver dollar, and the cheaper full legal-tender dollar will always take the field—the whole field—where there is considerable difference in the value of the two full legal-tender dollars.

From 1861 to 1873 the depreciated greenback dollar was the practical standard of value, notwithstanding the silver dollar was also

From 1861 to 1873 the depreciated greenback dollar was the practical standard of value, notwithstanding the silver dollar was also a legal unit or dollar, because the greenback dollar was the least

In 1878 the gold dollar was made the legal unit, but the practical standard continued to be the depreciated greenback dollar unit the resumption of specie payments in 1879, when the gold dollar again become the practical standard, as it was from 1834 to 1861, and also the legal standard.

THE COINAGE RATIO OF THE FATHERS.

Mr. Vance. Well, the "fathers" did maintain the ratio of 16 to 1, and secured both silver and gold until silver was demonetized in 1873, and I believe the moment we now remonetize silver we shall find that 16 ounces of silver will be worth everywhere as much as 1 ounce of gold, as they were once.

Mr. Jones. I thought we did not have the ratio of 16 to 1 till

Mr. VANCE. Oh, yes; the "fathers" in 1792 fixed the ratio at 16 to 1, and we were all right, and should have continued all right if it had not been for "the crime of 1873."

if it had not been for "the crime of 1873."

Mr. SMITH. You are mistaken in saying that the "fathers" adopted the ratio of 16 to 1, unless you mean the "fathers" of 1834. The "fathers" who lived at the discovery of America found 11 ounces of silver equal in value to 1 of gold. The "fathers" of 1792 paid no attention to what their "fathers" of 1493 did, strange as it may seem to our "fiat" brethren, but proceeded to establish a coinage ratio of 15 to 1 (not 16 to 1), because they estimated that 15 ounces of silver were equal in value, on the average, to 1 ounce of gold. Subsequently it was found they had made a slight mistake in estimating the bullion ratio of silver and gold—only 2 per cent—which very largely kept gold from the mints; and so the later "fathers," in 1834, changed the ratio to 16 to 1 (to be exact, 15.98 to 1), and even them a slight undervaluation of silver and overvaluation of gold to the extent of only 2 per cent by this ratio resulted in the taking of very little silver to the mints between 1834 and 1861. between 1834 and 1861.

between 1834 and 1861.

You will see that the object in fixing and changing the coinage ratio was to keep that ratio as near as possible to the bullion ratio in order to retain both metals as money, and that the ratio of 16 to 1 was not adopted until 1834, and was continued practically only twenty-seven years, as neither gold nor silver was coined to any extent from 1861 to 1873. The ratio of 16 to 1 was not a fixture. It was simply a temporary adjustment of the coinage ratio to the market ratio of gold and silver bullion in 1834, just as 15 to 1 was an adjustment to the market ratio of 1792 and 11 to 1 an adjustment to the market ratio of 1493.

Mr. VANCE. But if the ratio of 16 to 1 worked from 1834 to 1861.

Mr. VANCE. But if the ratio of 16 to 1 worked from 1834 to 1861,

Mr. Vance. But it the ratio of 16 to 1 worked from 1834 to 1801, why won't it work now?

Mr. Smith. Because the relative conditions of gold and silver production and use have greatly changed, and silver, which was then worth \$1.80 per ounce, is now worth only half that price. Silver bullion must be worth at least \$1.29 per ounce in order to maintain the ratio of 16 to 1 and hold both metals in our coinage. maintain the ratio of 16 to 1 and hold both metals in our coinage. Silver has declined partly because all Europe has closed its mints to its free coinage, but chiefly for the same reason that cotton cloth, steel, kerosene oil, and other things have declined—it can be produced more cheaply than formerly. Forty years ago 3 yards of cotton cloth were equal in value to 1 bushel of corn in Illinois. Now a bushel of corn will buy 8 yards of cotton cloth, because it can be made at less cost. It would be just as sensible for the manufacturers of cotton cloth to demand that the ratio between cloth and corn should now be 3 to 1 because that was the ratio forthy years ago as it is for the silver mineowners to demand that forty years ago as it is for the silver mine-owners to demand that 16 ounces of silver shall be regarded now in coinage as equal in value to 1 ounce of gold because that was the ratio twenty-odd

Mr. JONES. I can not see why silver bullion should not decline as well as other products, provided the discovery of richer mines and cheaper processes of separating the ore has reduced the cost of production. I was reading from a silver pamphlet a few day ago a complaint that silver is denied the privileges accorded to gold; but, as I understand it, the silver-mine owners resent the suggestion that silver should be coined at its bullion value, as

Mr. SMITH. That is the fact. They talk about the restoration of silver to its old position, by which they mean not its coinage at its bullion market ratio, as it formerly was, but a ratio that assigns twice the bullion value to silver that it has in the market.

WHAT HAS CAUSED THE DECLINE OF SILVED

Mr. Vance. But the silver-mine owners claim that it costs as much to produce silver as it ever did—far more than it has sold for since 1880—and that it is adverse legislation closing the mints to the free coinage of silver which has caused silver to decline.

Mr. Smith. The simple and conclusive answer to the claim that it costs as much to produce silver as ever, and more than it has sold for since 1880, is that it is not possible to have any article produced in increasing quantities year by year for fifteen years—four times as much as was produced in 1865—when its selling price is uniformly less than its average cost, and it is absurd to contend otherwise. Whenever year after year enough persons

stand ready to produce all the world wants of an article for 75 cents or 85 cents per ounce, that must be accepted as the market value with which we have to deal.

Undoubtedly the general closing of the mints of Europe to the Undoubtedly the general cosing of the lattice of Europe to the free coinage of silver, by diminishing what would have been the demand if they had been open, has carried the price of silver some lower than it would have otherwise gone. But, however much this action of Europe may have affected silver, there is no way of overcoming it except by inducing these European countries to proits with us in international action. Even if it were tries to unite with us in international action. Even if it were true, as the silver extremists claim, that all the fall in silver as compared with gold has been caused by the closing of mints to the free coinage of silver, this would not justify the opening of our mints alone at the ratio proposed, because it is the effect of European adverse legislation (not legislation here) with which

Our legislation of 1873, striking the standard silver dollar from the list of coins to be minted, could not have had any influence in the list of coins to be minted, could not have had any influence in lowering the price of silver, because we had not coined silver to any extent for twelve years prior to 1873; while, on the other hand, we began in 1875 to coin subsidiary silver, and in 1878 resumed the coinage of the standard silver dollar, using five times as much silver as money in the twenty years from 1875 to 1895 as we used in the eighty-one years from 1793 to 1873.

Mr. Vance. Do you not think the legislation of 1873 was instigated by foreign holders of our securities to increase the value of their debts?

Mr. SMITH Nonsengal When the legislation of 1873 was instigated by foreign holders of our securities to increase the value of their debts?

Mr. SMITH. Nonsense! When the legislation of 1873 was had the gold in the gold dollar was 3 cents cheaper than the silver in the silver dollar; and if anyone had had in mind the idea of increasing the value of debts by manipulating the coinage he would have proposed to drop the coinage of gold, so as to have only the more valuable silver dollar. The legislation of 1873 was the very natural adaptation of our coinage to the condition which had ex isted from 1861, during which time silver had been worth more than gold and had disappeared from the country, and was regarded of so little consequence that it attracted no attention. Undoubt-edly if there had been no such legislation in 1878 we should have been obliged to have followed the action of France, which stopped

the free coinage of the standard silver dollar in 1875.

But to return to the causes of the decline of silver. After making all due allowance for the effect of the closing of European mints in depressing silver—the remedy for which is to be found only in international bimetallism—the chief cause of the decline of silver lies in the abnormal increase of production of

silver in the face of a declining price.

INCREASE OF PRODUCTION OF SILVER.

Mr. Vance. I have heard a great deal about an alleged increase of production of silver since 1873; but I have here a statement of the secretary of a Western silver league, who has published a book called Coin, in reply to a remark of Senator Sherman that this increase of production is the chief cause for this fall, which I will read:

You will find by examining the table of allver production in that while during the first lifty years of this century the world produced 78 per century the world produced 78 per century to the production of the

This is an emphatic declaration that seems to show from official figures that proportionately more silver was produced before

1873 than in the twenty-one years after 1873.

Mr. Smrrn. I have these official figures of gold and silver production for ten-year periods from 1800 to 1850 and five-year periods from 1850 to 1875, and from 1875 to 1895, both for the average annual production and the total production for each period, and, omitting the odd numbers and giving simply the round millions, they are as follows:

Average annual and aggregate ten or five years' gold and silver production in millions of dollars.

Posts 3	Ann	ual.	Total.		
Period.	Gold.	Silver.	Gold.	Silver.	
1800-1810	114 74 94 134 364 132 123 129 1164 1164 1164 1164	871 284 10 244 301 301 454 454 454 1014 119 150	118 78 944 1344 364 6624 670 615 648 577 573 4954 555	371; 224; 191; 191; 248; 324; 184; 186; 228; 278; 409; 509; 509; 504; 722;	

After examining this statement of Coin, Smith continues: Now, this silver publication conveys the impression that these figures prove that Senator Sherman's statement, that the produc-

tion of silver has proportionately increased in the twenty-one years from 1873 to 1892, inclusive, beyond the production of a similar period before 1873, is the reverse of the fact. You so understand do you not? ar. Vance. Of course that is what everybody would suppose to

be its assertion.

Mr. SMITH. That, of course, is the impression that the general trend of the pamphlet's reply to Senator Sherman was intended to convey. But the cunning fellow who wrote it is careful to so phrase his reply as not to directly assert it, but to leave it implied. After much loose talk he finally ventures to be specific in the paragraph you have read. You and others seem to have swallowed this summary of official figures as a conclusive reply to the Senator, thus showing how easy it is to deceive in monetary discus-

Senator SHERMAN'S statement was that the production of silver in proportion to that of gold increased in the years between 1873 and 1892 beyond what it was in the twenty-one years pre-1873 and 1892 beyond what it was a certain the fact, and then proceeds to compare the production, not with twenty-one years before that date—as candor, not to say honesty, in the use of statistics demands—but with the fifty years from 1800 to 1850, omitting entirely the twenty-one years immediately before 1873.

Mr. BURNS. Is that so? I should be afraid to put the slightest confidence in a man who would attempt to mislead in that way.

Mr. SHITH. Well, here is the book; read for yourself and see if that is not exactly what he has done. And this is a specimen of the misleading treatment of the subject all the way through.

of the misleading treatment of the subject all the way through.

Mr. Burns (after reading). It is as you say, although, as I
read the page hurriedly, I did not notice the trick. Now, won't you add up the figures and give us the total production of gold and of silver twenty-one years after 1873 and twenty-one years before, giving the coinage value of each, as this pamphlet does?

Mr. SMITH. That is what I have done, and here are the totals for each period: The production of gold twenty-one years before 1873 was \$2,510,575,000, and of silver (coining value) \$989,265,000, or 150 each period: The production of gold twenty-one years before 1873 was \$2,510,575,000, and of silver (coining value) \$989,265,000, or 150 each twenty-one gold twenty-one years twenty-one years the production of gold twenty-one years the production of gold twenty-one years twenty-one years the production of gold twenty-one years the production of gold twenty-one years the years after 1873 and twenty-one years before 1873 was \$2,510,575,000 and of silver (coining value) \$989,265,000 and \$100,000 and \$100,00

per cent more of gold than silver. Production of gold twenty-one years after 1873 was \$3,157,197,000 and of silver \$2,246,519,000, or 5

per cent more of silver than gold.

In other words, while the production of gold was a little less between 1873 and 1892 (inclusive) than it was between 1852 and 1873, the production of silver in the twenty-one years since 1873 has been 125 per cent more than in the twenty-one years before. Yet in the face of this obvious fact, told by the very tables that he refers to, this 16-to-1 silver advocate so manipulates figures by omitting entirely the twenty-one years before 1873 as to seem to show otherwise.

Mr. Vance (after examining the figures). I must confess that I was misled by the statement I read. Yet it seems that between 1800 and 1840 silver production was even larger in proportion to

gold production than between 1873 and 1892.

Mr. SMITH. You must bear in mind that no intelligent comparison can be made of monetary demands and conditions from 1800 to 1840 with the strikingly changed conditions of the last twenty-five years. In the first forty years of this century silver constituted the chief money of Europe and other countries; but in the last forty years, in consequence of the immensely larger transactions, the use of gold has proportionately increased and that of silver has increased much less. This tendency can not be changed by legislation, and it is a factor that must be reckoned

It is for this reason that it is absurd to go back to the silver production of 1800 for figures to compare with silver production since 1873, especially when the figures from 1851 to 1873 are be-

fore us.

Mr. Jones. What has been the silver production (coinage value) of the world in the past five years as compared with that of the

five years before 1870?

Mr. Smith. The silver production from 1865 to 1870 was, in round numbers, two hundred and seventy-eight millions and the gold production six hundred and forty-eight millions, while from 1890 to 1895 the silver production was one thousand and four millions (almost four times what it was in the first period) and the gold production seven hundred and fifty-three millions. A simple statement of these figures, bearing in mind that between 1865 and 1870 silver was worth nearly \$1.35 per ounce, while between 1890 and 1895 it was worth considerably less than \$1 per ounce, ought to convince the most prejudiced, not only that there has been an abnormal increase of silver, but also that the cost of production must have largely declined, entirely outside of the influence of the closing of European mints to free coinage of silver.

Mr. VANCE. I must confess that this increase of production of silver, under the circumstances, does seem to indicate that the

discovery of richer mines and new and more economical processes has cheapened silver somewhat; but has not the reduction of demand for silver, caused by closing the mints to free coinage of silver, had a still greater influence in depressing it?

Mr. SMITH. As I have already said, both causes have had their influence; and it is impossible to tell how much is to be ascribed

to one cause and how much to the other, although the great increase of production of silver in the face of a constantly falling price indicates that the reduction of cost of production must have been the more important factor.

THE MONEY OF THE WORLD.

There is an impression that because the European mints no as money. But, as a matter of fact, Europe still uses an immense quantity of silver as money. Indeed, there is about the same amount of silver as gold used to-day by the whole world as money—about four thousand millions of each, all of which but four hundred to day to

about four thousand millions of each, all of which but four hundred millions is full legal tender.

Of this silver one thousand eight hundred and fifteen millions are in India, China, and other Eastern countries that use only silver, leaving about one thousand six hundred millions of full legal-tender silver, with six hundred millions of limited tender silver, and four thousand millions of gold, with two thousand five hundred and thirty-three millions of uncovered credit money for the rest of the world.

the rest of the world.

The gold and silver and credit paper money of the leading com-mercial nations, all of which have a gold standard, is thus stated by the Director of the Mint:

	Gold.	Full legal-ten- der silver.	Limited ten- der ailver.
United States	\$325, 600, 000 825, 000, 000 850, 000, 000 025, 000, 000 55, 000, 000 13, 800, 000 14, 200, 000 130, 000, 000	\$549,700,000 434,300,000 105,000,000 48,000,000	\$75, 600, 000 59, 990, 000 112, 000, 000 210, 000, 000 6, 900, 000 6, 700, 000 5, 400, 000 40, 000, 000
Total	2, 839, 600, 060	1,218,000,000	414, 500, 000

You will see that this country has five hundred and forty-nine millions of full legal-tender silver, including the one hundred and thirty millions of silver back of that amount of Treasury notes, in addition to seventy-five millions of subsidiary silver, an aggregate of six hundred and twenty-five millions of silver money—almost exactly the same as we have of gold (one thousand two hundred and fifty millions of gold and silver), whereas in 1860 we had only two hundred and fifty millions of both gold and silver money, of which not over fifty millions was silver, not over fifteen millions of this silver being full legal tender.

Mr. Burns. I am surprised at these figures from the report of the Director of the Mint, for I had got the impression from statements made by Coin that the world had deprived itself almost entirely of silver as money, whereas it seems that to-day as much silver is being used as money as there is of gold. I suppose, however, that very little silver has been coined in the world the past few years, and that this may have had a specially temporary depressing influence on silver. You will see that this country has five hundred and forty-nine

essing influence on silver.

Mr. Smith. I know that this is alleged to be the case; and yet Mr. Smith. I know that this is alleged to be the case; and yet the world has used far more new silver as money the past five years than ever before. The Director of the Mint states in his last report that while up to 1865 less than \$28,000,000 of new silver was coined in any one year, yet the silver coinage of the world in 1893 was \$185,000,000, of which one hundred and twenty millions was new silver—four times as much as was coined in any one year before the war. In 1893 Mexico coined twenty-eight millions of silver, India thirty-nine millions, Austria eighteen millions, Japan twelve millions, this country eight and three-quarter millions (fifty-four millions annually having been used by us as money for each of the three previous years). Great Britain us as money for each of the three previous years), Great Britain five millions, and Germany two millions.

Mr. Jones. Evidently those who are asserting that the world is now deprived of half of its money because of what they call "demonetization" don't know what they are talking about.

Mr. Smith. Many of them do not want to know. The difficulty

which we are trying to get the commercial world to unite with us in overcoming is not that silver is not used by the world to as great an extent as gold as money (for it is), but that the leading commercial nations do not coin it as full-value money, which is essential in free and unlimited coinage, but as token money that must be maintained at par directly or indirectly by redemption. Of course silver monometallic countries on a silver basis, like Mexico and China, do coin it as full-value money, but at such a ratio as drives out gold and gives them only silver.

What we are seeking to do is to secure the cooperation of a sufficient number of the leading commercial nations in an international

agreement on a coinage ratio that can be maintained with free coinage, and thus give us and these cooperating nations both silver and gold as our final redemption money. Experience has shown that no one country can bring this about alone—certainly not at any such ratio as that proposed by the 16 to 1 silver men.

THE BIMETALLIC THEORY RUN INTO THE GROUND

Mr. Vance. I have here a free-coinage book, which states that when there is free coinage of both metals by any one country, like the United States, at any ratio, an unlimited demand is created for silver at the fixed price established by the ratio thus determined, and that this at once makes a price for silver for the whole world. This book says that is conceded.

Mr. Smith. As Josh Billings quaintly remarked, "It is better not to know so many things that ain't so." What you have read in that book is an absurd exaggeration of the bimetallic theory as expounded by its scientific defenders. They never claimed for the compensatory or altering

defenders. They never claimed for the compensatory or altering principle of bimetallism any such potency as this.

They simply claimed what is true, that where several leading commercial countries adopt substantially the same coinage ratio for gold and silver, and that ratio when fixed approximates the bullion ratio, then whenever one of the metals begins to rise the demand for the cheaper metal is increased and the demand for the more costly metal is diminished, and this alternating increase and decline in demand tends to maintain the two metals at an equilibrium so long as the condition of production does not materially change and the protocy of this compensatory principle deviced the supercease of the commensatory principle deviced the supercease of the supercease of the commensatory principle deviced the supercease of the supercease equilibrium so long as the condition or production does not materially change, and the potency of this compensatory principle depends upon the commercial strength of the union of countries opening their mints at a common ratio.

Mr. Vance. But if the United States stands ready to take all the silver that is brought to our mints at \$1.29 per ounce (which is the price required to make the coinage ratio 16 to 1) and pay for it in silver dollars coined from the silver bullion, why does that not make a price for the world's silver?

it in silver dollars coined from the silver bullion, why does that not make a price for the world's silver?

Mr. SMITH. I remarked at the beginning of our discussion that the "fiat" fallacy of money is at the bottom of this free silver, 16 to 1, movement. And Mr. Vance now owns up. You assume that when the Government, under free and unlimited coinage, stamps 50 cents' worth of silver "one dollar" and gives it the legal-tender power, then this "fiat" of law at once adds 50 cents to the value of the silver and makes it worth everywhere 100 cents, as good as a gold dollar, and to an unlimited extent.

value of the silver and makes it worth everywhere 100 cents, as good as a gold dollar, and to an unlimited extent.

Mr. Jones. As I understand it, under free coinage the Government does not buy any silver; it simply takes the silver brought to the mints by private owners and coins it into silver dollars containing 412½ grains of standard silver. Why, then, do you say that the Government by this operation fixes the price of silver at \$1.29 per ounce, in the face of the fact that silver can be freely bought in the market for half that price?

Mr. Vance. Because the owner of the silver receives one silver dollar and twenty nine hundredths of a silver dollar for each owner.

dollar and twenty-nine hundredths of a silver dollar for each ounce of his silver. So long as any owner of silver can exchange his silver in this manner it seems to me as if the price was fixed at

that figure for the whole world.

Mr. Smith. Don't you see that what the owner receives for each ounce of his silver dollar is what one silver dollar and twentynine hundredths of another dollar will bring in the market? And that after a brief time, under free and unlimited coinage, the value of this dollar and a fraction will be simply the value of so much silver bullion?

In other words, free and unlimited coinage of silver don't create an "unlimited" demand, but simply the limited demand for that kind of coin in the country where minted. Neither does it establish a "fixed price"—only the varying price of so much bul-

You have simply fooled yourself by your talk of an unlimited demand at a fixed price, and all because you have swallowed whole the "fiat" fallacy of the nature of money.

Mr. Burns. As you remarked a little while ago, it seems to me

Mr. Burns. As you remarked a little while ago, it seems to me that if Government can make a piece of silver worth anything it stamps on it, it would be far better not to waste 50 cents' worth of silver in making a dollar, when an almost valueless piece of paper can be made a dollar by having the Government stamp it such. It looks to me as if the old flat greenbackism was much better than this modified form of silver "flatism."

Mr. SMITH. You are right. The only influence that free and unlimited coinage of silver can have on the value of the coin and the silver of which it is made is that exerted by the probable increase of demand for silver; but the increased demand arising from the opening of the mints of only one country would be too

crease of demand for silver; but the increased demand arising from the opening of the mints of only one country would be too small to materially affect the price. A union of leading commercial nations on a fixed common ratio, having regard to the bullion ratio, would exert a potent influence not only in somewhat raising the price of silver bullion, but also especially in steadying the relative value of the two metals by the influence of the alternating or compensating influence of bimetallism of which I have spoken.

THE PRENCH EXPERIENCE.

Mr. VANCE. I read in Coin that for over seventy years, from 1800 to 1878, France maintained silver and gold at a market ratio to 1. If France alone did this, why can't the United States, which is a more populous and important country than France, by independent action maintain free and unlimited coinage of both metals and keep them together as France did?

Mr. SMITH. There are two answers to the assertion. First, that not only France but all Europe (England excepted) coined silver at approximately the ratio of 15½ to 1 from 1800 to 1870; so that at approximately the ratio of 164 to 1 from 1800 to 1870; so that whatever influence was exerted on the piece of silver by governmental action was not exerted by France alone but by nearly all Europe. And secondly, that during these seventy years there was no material change in the conditions and cost of silver production. The average annual production of silver was \$37,000,000 from 1800 to 1810, \$22,000,000 from 1810 to 1820, \$19,000,000 from 1830 to 1830, twenty-four and three-fourths millions from 1830 to 1840, \$32,000,000 from 1840 to 1850, \$37,000,000 from 1850 to 1860, and \$50,000,000 from 1860 to 1870—a change so small as to make stability a necessity; while the increase of production of silver since 1870 has been by leaps—\$81,000,000 in 1875, \$120,000,000 in 1880, \$142,000,000 in 1888, \$173,000,000 in 1890, and \$196,000,000 in

Mr. Jones. How long were France and the other countries of the Latin Union (Belgium, Switzerland, Italy, and Greece) able to withstand this early increase of silver production and the clos-

ing of the German mints in 1871?

Mr. Smith. In 1874, when the production of silver had reached only eighty-one millions, all these countries acting together found they could not overcome even the slight deviation of 5 per cent from the ratio of 15½ to 1, and were obliged to suspend the coinage of full legal-tender silver. And not a dollar has been coined for private owners of bullion since.

The experience of France is a most complete demonstration of the impossibility of the United States alone opening its mints to the free and unlimited coinage of silver at 16 to 1 without driving out gold and making us a silver monometallic country.

In reply to an inquiry, M. Ribot, the French minister of finance, said a few months ago in the Chamber of Deputies that while France was anxious to secure bimetallism and was ready to join with other nations to bring it about, yet that neither France nor any other country alone could accomplish this result.

THE EXPERIENCE OF THE UNITED STATE

Mr. BURNS. How about the experience of the United States? Mr. Burns. How about the experience of the United States?
Mr. SMITH. As I have already said, the experience of the United
States has shown the impotency of one country alone in materially affecting the market ratio of gold and silver by adopting a
coinage ratio even but slightly different from the bullion ratio.
The ratio of 15 to 1 adopted by the United States in 1792 undorvalued gold about 2 per cent, and the result was that between
1792 and 1833 less than ten millions of gold were taken to our
mints for coinage, while over forty millions of silver were coined.
Of the forty millions of specie estimated by Secretary of the Treasurry Gallatin to have been in this country in 1833, not even five ury Gallatin to have been in this country in 1833, not even five

millions were gold.

In 1834 we changed the ratio to 16 to 1, so as to secure gold as well as silver; but the new ratio undervalued silver about 2 per cent. The result was that even this small divergence from the cent. The result was that even this small divergence from the actual bullion ratio brought less than thirty-five millions of silver to the mints between 1834 and 1854, while two hundred and fifty millions of gold (the cheaper metal) were coined. Indeed, the silver coined went to the melting pot so rapidly that in 1853 Congress was compelled to reduce the weight of subsidiary silver and make them token coins.

And I have already said of the two hundred and fifty millions of specie estimated by the Secretary of the Treasury to have been in this country in 1860 probably not over ten millions was full

After such an experience as this it is absurd for anyone to claim that this country alone can maintain bimetallism by free and unlimited coinage of silver at 16 to 1 when the market ratio of bullion is 30 to 1.

Mr. JONES. I think it is clear that the only way we can have both silver and gold as our money under free and unlimited coinage is by making the coinage ratio approximately the same as the ratio of the bullion value of the two metals.

Mr. Smith. It ought to be apparent to everyone that the Government can not make 16 ounces of silver equal in value to 1 ounce of gold by fixing 16 to 1 as the ratio for free and unlimited coinage of silver and gold, unless approximately 16 ounces of silver will exchange for 1 ounce of gold in the markets of the world. To establish such a ratio, when the market ratio is now about 30 to 1 is remediable to say that we intend to be not since the say of the say o to 1, is practically to say that we intend to have nothing but silver as our money and to make 50 cents' worth of silver the dollar and unit of value, for not one dollar of gold would be coined

under such a law, and what gold we have coined would at once cease to be used as money.

THE EXPERIENCE OF MEXICO.

Mr. Jones. What has been the experience of Mexico, which

maintains the policy of the equal and unlimited coinage of silver and gold at a ratio of 16½ to 1?

Mr. Smith. Well, let us look at that country near our own doors which has tried and is trying the policy which is urged upon us ostensibly in the interest of bimetallism.

Mexico has unlimited coinage of both gold and silver at the ratio of 16½ to 1, valuing silver a little less than our 16-to-1 silver advocates propose, with a uniform charge of 4 per cent for coining either metal. And after trying this policy ever since the market value of silver declined, resolutely refusing to join in any "crime of 1873," she has become what? Why, a silver monometallic nation on a silver basis, without any gold in her metallic money. That is what 18 to 1 silver coincea he does for Mexica and what. That is what 164 to 1 silver coinage has done for Mexico, and what 16 to 1 unlimited silver coinage would do for us.

Mr. Vance. But Mexico is a comparatively small country, and we can not judge what free coinage at 16 to 1 by this country of 70,000,000 people will do by what has taken place there.

Mr. Smith. Why not? The "fiat" of Mexico is as potent within its limits as the "fiat" of the United States is within ours. Besides, Mexican dollars have an advantage over the silver coins of any other country. of any other country—they are current in China, which has a population five times as great as the United States. The experiment of Mexico is practically the experiment of more than 400,-000,000 people.

Mr. Jones. A gentleman who recently visited Mexico told me that he carried with him to that country some American silver dollars, which, having been coined for the profit of our own Treasury, are maintained at par with gold by indirect redemp-tion by our Government; and that he frequently made a purchase of an article whose price was 50 cents and, on giving to the seller one of our dollars, received the article which he had purchased and a Mexican dollar besides.

Mr. Smith. Certainly; for every dollar of our money has a purchasing power of 100 cents in Mexico as well as in this country; but every dollar of Mexican money, although called a dollar, has a purchasing power of only 50 cents there or here.

Mr. Vance. Prices there are higher than here; and that is a read this.

good thing.

Mr. Smith. Yes; prices are higher, just as they would be here But notwithstanding prices are higher, estimated in Mexican dollars, not one article thus elevated in price will exchange for any more of any other product than it would have done before.

Mr. Jones, How is it with imported articles?

Mr. Smith. Every imported article sells in Mexico for twice as many dollars as before, with an extra charge for brokerage because of the uncertainty of the value of their money.

Mr. Jones. How does it affect articles exported by the Mexicans Mr. Smith. As all her exports are sent to countries on a gold basis, and to pay for them these countries buy silver exchange at a profit, with an added brokerage for the uncertainty of the value of silver, the Mexicans get less for what they export than they would if they were on the same basis as the leading commercial

Mr. Burns. What has been its effect on labor? Mr. Smith. Wages have not risen as much in Mexico as prices have risen. In other words, a depreciated currency has cheated

But it is getting late, and we must postpone further conversa-tion on this interesting question to some other evening. I can meet here again with you on next Monday evening if you desire to continue the discussion.

Mr. VANCE, Mr. SMITH, and Mr. BURNS (speaking together). By -

all means, let us continue this talk.

Mr. Smith. Let it be understood, then, that we will meet here next Monday evening and continue this conversation or silver and money.

Second evening.

It was five minutes earlier than the time set for the reassem-It was five minutes earlier than the time set for the reassembling of the four neighbors who had met on a previous evening to talk over the silver and money question when Mr. Smith, Mr. Jones, Mr. Vance, and Mr. Burns took their seats around the little table on which the lamp rested.

Mr. Vance, leaning back in his chair and holding up in one hand a worn copy of the silver mine-owners' pamphlet called Coin's Financial School, opened the conversation: After thinking over the facts brought out at our previous meeting. I am not

ing over the facts brought out at our previous meeting, I am not disposed to contend that silver has not fallen somewhat, but it seems to me that gold has risen much more than silver has fallen.

Mr. Smith. Even supposing this to be the fact, that would not change the situation. So long as the market ratio between silver

and gold is 30 to 1 it is absurd to contend that the United States

and gold is 30 to 1 it is absurd to contend that the United States alone can set up a coinage ratio of 16 to 1 and obtain bimetallism, no matter what caused the divergence.

It is the fact of the market ratio with which we must deal, no matter whether it is caused by gold rising or silver falling, or both. Even if it were established that the divergence of the two metals from the old ratio of 16 to 1 was caused entirely by the rise of gold, this would not in any manner change the fact that the adoption for the property of illustration of the content of th free coinage of silver at 16 to 1 would give us nothing but silver in our coinage.

Mr. VANCE. But has not gold appreciated since 1873

Mr. SMITH. The opinion of experts like Professor Fawcett is that gold declined (many think 10 or 15 per cent) between 1850 and 1865, in consequence of the increased production, notwithand 1865, in consequence of the increased production, notwith-standing most of the increased production was offset by increased demand; and that it appreciated between 1870 and 1891 just about as much as it declined between 1850 and 1865. The Director of the Mint, as well as Professor Fawcett, thinks that the largely in-creased production of gold since 1891—already larger than in the palmiest Californian and Australian days—has stopped the appre-ciation, and that the probabilities are strong that in the near future another decline of gold will set in.

But it must be remembered that by common consent gold varies less in value than any other substance—but a fraction of a cent in any one year—and that for this reason the commercial world makes

any one year—and that for this reason the commercial world makes it the international standard of value.

When gold was declining, between 1850 and 1860, even the "fiat" money men looked very kindly on gold, and were entirely content to have it the practical standard of value.

If it were true that gold has risen and silver remained stationary—which it is not—this fact would furnish an excuse for reducive the weight of the real declars that yet the weight of the real declars the rest the weight of the real declars the rest the rest true were restricted. ducing the weight of the gold dollar, but not the slightest ground for trying to have free coinage at the ratio of 16 to 1. The ratio would still be 30 to 1 if the gold dollar should be reduced one-half and the silver dollar be left as it was.

Mr. Burns. That is evident, and yet at first view many overlook

Mr. Smith. I ask you to notice particularly the large increase of the world's production of gold since 1890, as shown by the figures I read the other evening from the report of the Director of the

1890 1891 1892	130,579,000 146,817,000	1895 1896 (estimated)	203,000,000
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Mr. VANCE. But with the world's production of gold this year

Mr. Vance. But with the world's production of gold this year estimated at \$203,000,000, is not a large proportion of it used in the arts, so as to leave almost none for coinage?

Mr. SMITH. The Director of the Mint estimates the world's annual consumption of gold in the arts at \$60,000,000, and Mr. Soetbeer at \$00,000,000, and taking the highest estimate the gold remaining for new coinage in 1895 would be \$133,000,000 and in 1896 about \$160,000,000. Bearing in mind that the precious metals used in coinage are not consumed from year to year, but added to the accumulated stock, this annual increase of \$150,000,000 in the world's stock of gold money is not worthly expectably a view to preciably a stock of gold money is not worthly a generally stock of gold money is not worthly a generally a stock of gold money is not worthly a generally a stock. the world's stock of gold money is noteworthy, especially in view of the fact, as stated by Professor Fawcett, that Great Britain requires only \$15,000,000 of new gold for monetary purposes each

Mr. VANCE. Coin assumes that gold has appreciated 50 per cent

Mr. Smith. "Assumes" is good. There is not the slightest

Mr. Smith. "Assumes" is good. There is not the slightest evidence of anything of the kind.

Mr. Vance. Coin, if I understand him, claims that prices have declined 50 per cent since 1873, and as gold is the measurer of prices, that this proves that gold has risen 50 per cent.

Mr. Smith. I shall take occasion before we are through to show you that between 1873 and 1892—and of course the great fall of prices the past years is due to exceptional causes entirely outside of gold or silver—the average decline of prices, as shown by Labor Commissioner Wright's investigations under the direction of the Senate Committee on Finance in 1891–92, was only 292 points. And between 1879 (when we resumed specie payments) and 1892 only 4½ points. Of course the prices of 1873 were inflated by a depreciated currency and the effects of the war, from which we did not fully recover till 1878, and are not a fair basis for comparison. for comparison.

Coin makes his argument entirely on cotton and wheat, which declined more than other products, for reasons of which I will

hereafter speak.

Everybody knows that all products into whose production machinery or other labor-saving devices enter are constantly and naturally declining under the stress of competition, and it is simple nonsense to contend that a fall of prices of such articles shows that gold, which measures prices, has appreciated to the extent of the decline of prices.

By taking all articles together—all machine-made articles naturally decline—a fall in prices of only 4½ points between 1879 and

1892 shows that there could have been very little of the decline due to an appreciation of gold.

THE STANDARD OF VALUE

Mr. Jones. Much is said now about a double standard. It seems to me from what you have said that there can be practically but

to me from what you have said that there can be practically but one standard in any country at the same time.

Mr. Smith. Strictly speaking, that is true. The term double standard, which seems to me to be an unfortunate term, is used by financial writers as a synonym of bimetallism and simply means that the dollar unit is measured in two money metals adjusted to each other at such a ratio as to be equivalent in value, thus making two equal units but one and the same, therefore really one standard so long as the equality continues. And, of course, their idea is that the equality shall be maintained in fact. So long as the equality of value of the two metals is preserved and both gold and silver circulate concurrently the standard is gold or its equivalent, but both metals are used as money.

and both gold and silver circulate concurrently the standard is gold or its equivalent, but both metals are used as money.

But our 10-to-1 silver advocates mean by "double standard" that silver shall be coined at such a ratio to gold that only silver will be minted. This is a "double standard" on paper, but in fact a single silver standard and a single metal (silver) used as money. It is for this reason that if we should to-day authorize the free and unlimited coinage of silver at 16 to 1 the silver dollar would at once become the practical unit, and thus our unit or standard of value would be suddenly changed from the gold 100-cent dollar to the silver 50-cent dollar, and nothing but silver would be used as money. I think those who advocate this change hardly realize the shock such a sudden change would give to business and what a panic it would create. A railroad collision would be a what a panic it would create. A railroad collision would be a pastime compared with it. When we changed from a gold to a depreciated paper standard in 1861-1866 it came about so gradually that the change was slowly discounted.

Mr. Vance. Inasmuch as a silver dollar of 412½ grains of standard silver was the legal unit prior to 1873, why not return to it?

Mr. Smith. As I have said already, the silver dollar was no more a legal unit between 1792 and 1861 than the gold dollar, and not the practical standard at all after 1884. The practical standard standard at all after 1884. ard was the gold dollar from 1834 to 1861, and from 1861 to 1879

ard was the gold dollar from 1834 to 1861, and from 1861 to 1879 the depreciated greenback dollar.

The objection to now making 412½ grains of standard silver as a legal unit is that silver is not what it was in 1792, nor even from 1834 to 1861. It has, first, greatly depreciated in consequence of a reduction of cost of production; second, the changed conditions of production have made it much more variable in value and therefore less suitable as a standard than it was a hundred years ago; third, all the leading commercial nations, which a hundred years ago made silver their standard, now make grains of gold their unit or standard of value, so that in fact international prices are everywhere fixed in gold and not in silver.

Mr. VANCE. When gold is made the standard we make our dollar cost twice as much as we do when silver is made the standard.

Mr. Vance. When gold is made the standard we make our dollar cost twice as much as we do when silver is made the standard.
Mr. Smith. Not if we coin both metals at their bullion ratio.
Of course if we coin silver at its bullion value and gold at twice its bullion value, we should make one dollar twice as valuable as the other. The question as to what any country will make its standard is entirely distinct from the other question as to how many grains it will put in its unit. We can depreciate our dollar unit just as well by making 13.3 grains of standard gold the unit as by making 412½ of standard silver the unit.

If we intend to depreciate the dollar one-half, and at the same time keep both metals in our coinage with free and unlimited coinage, it would be a great deal better to diminish the weight of our gold one-half than to diminish it one-half by establishing free

coinage, it would be a great deal better to diminish the weight of our gold one-half than to diminish it one-half by establishing free coinage of silver at 16 to 1. In the former case we should have 50-cent dollars of both silver and gold, and in the latter case we should have 50-cent dollars only of silver and no gold.

Mr. Jones. That is a good idea. If we are going into the business of depreciating our dollar so as to pay our debts easier—for I suppose that is the real animus of the 16-to-1 free-silver movement outside of the silver-mine interest—it is better to do it squarely, by reducing the weight of the gold dollar one-half, and then coining the 412½-grain silver dollar alongside of it, as in that case we should have both gold and silver dollars of equal value and real bimetallism. That would be free coinage at a ratio of 30 to 1, whereas free coinage at 16 to 1 would give us nothing but 30 to 1, whereas free coinage at 16 to 1 would give us nothing but

Mr. Smith. That is it. Nobody would be deceived by that, although I presume when fully stated the men who want to depreciate the dellar like the deceptive method better.

Mr. Buens. What could possibly be gained by bimetallism with silver for the unit of value over gold for the unit if it is proposed to coin at such a ratio as will give us both metals as money?

Mr. Smith. Obviously nothing. There would be a loss, however, in adopting a different metal as the standard of value from that adopted by the controlling element of the commercial world; and, worse than that, we should have so variable a standard of value as to subject us to constant friction and brokerage to composed for the presentate for the presentative of the future value of silver. pensate for the uncertainty of the future value of silver.

Indeed, there is another view of it which ought to impress the Indeed, there is another view of it which ought to impress the advocates of a cheap dollar. This is that silver has fallen in value, and is undoubtedly too low to-day to encourage its production; and if we should now adopt a silver standard we should soon find our dollar increasing in value. Would it not be funny to see the advocates of a silver basis to-day contending, if silver should rise, that debts contracted under a silver basis were being increased by the rise of silver and advocating the making of copper the unit of value to protect debtors?

INTERNATIONAL BIMETALLISM.

Mr. JONES. It seems to me that nothing is clearer, from the examples you have given, than that the influence on the price of silver of unlimited coinage of both metals by any one country alone is very small, but that when the leading commercial nations unite on a coinage ratio, under free coinage, they together exert a

unite on a coinage ratio, under free coinage, they together exert a very strong influence, not only in maintaining the relative price of the two metals but also in steadying their value.

Mr. SMITH. You are right. The influence exerted is that of demand for monetary uses. The demand of one country exerts a slight influence, but the demand of the leading commercial nations acting in unison at a fixed ratio is a potent force, although of course even the united demand of the leading commercial nations must have regard to the probable production of each metal at the coinage ratio.

at the coinage ratio.

The small influence of the United States alone in maintaining The small influence of the United States alone in maintaining the price of silver is shown by our experience under the Bland silver-purchasing act of 1878 and the amendatory act of 1890. Under the former act we purchased about \$27,000,000 worth of silver annually for fifteen years to use as money, and silver continued falling every year. Under the act of 1890 we purchased for three years 54,000,000 ounces of silver annually, over a third of the world's product, and substantially the whole of the American product; and yet, after a brief speculative spurt, the price of silver wenton declining, simply because the new demand we had created, promising an increase of price that offered a big profit, stimulated

Now, with free and unlimited coinage of silver at 16 to 1 the United States could not coin so much silver in three years as we purchased from 1890 to 1893. How absurd, therefore, it is for any-

one to contend that free coinage by this country alone would raise silver from 68 cents to \$1.29 per ounce.

On the other hand, the influence exerted by nearly all Europe, as well as the countries of this continent, coining silver and gold at substantially the same ratio prior to 1870, was well shown during the great increase of gold production between 1850 and 1860. To be sure, during that period the increase of gold was offset by a general tendency throughout the world to use more gold and less general tendency throughout the world to use more gold and less silver as money—a tendency arising from the greater convenience of the less bulky money as transactions increased in magnitude, and which of course is beyond the reach of law.

Mr. Burns. I think you have made it clear that international bimetallism is the only practical bimetallism, and that we should steadily seek to bring that about.

Mr. Jones. And so long as we give Europe hope that we propose to sustain silver alone, Europe will look on and let us bear the burden.

Mr. Smith. That is so. Nothing is exerting so great an influence to prevent the successful reestablishment of bimetallism as the 16-to-1 free-silver agitation in this country, which encourages Europe to think that we will continue to assume the burden alone.

Mr. Vance. But if no leading commercial nations of Europe will unite with us in international bimetallism, isn't it our duty

to try it alone?

Mr. SMITH. I have clearly shown that neither the United States nor any other nation can secure bimetallism alone, certainly not at any such ratio as is proposed, and the silver-mine owners won't permit a ratio equivalent to the bullion ratio. For us to attempt it alone at a ratio of 16 to 1 is simply to drive out gold and have nothing but silver. There would be no serious opposition to coin-ing silver at its bullion value—certainly none beyond the fact that its bullion value—weathly if furnesses nations did that its bullion value would be unstable if European nations did

not unite with us.

Mr. Vance. But we didn't drive out gold after 1878 when we began again to coin silver. On the contrary, our gold increased.

Mr. Smith. I have already explained that the silver dollars we have coined since 1878 have been coined by the Government for its own profit, and maintained at par with gold by limitation and indirect redemption. Of course such money is equivalent to gold. But silver coined under free and unlimited coinage for private owners of bullion is a very different thing, and depends entirely on the value of the bullion.

I have little doubt that if we hold where we are scoper or later.

I have little doubt that if we hold where we are, sooner or later enough European nations will unite with us to make bimetallism

All authorities in bimetallism, both in this country and Europe (outside of some politicians in this country), hold that bimetallism is possible only by a cooperation of leading commercial

nations. President Andrews, Professor Walker, and the late Dana Horton are pronounced in their opposition to the 16-to-1 silver movement, regarding it as sure to bring, not bimetallism, but silver monometallism.

THE ATTITUDE OF THIS COUNTRY AND FRANCE.

Mr. VANCE. Then it seems to me that the alternative this presents is the gold monometallism which we now have, unless we can persuade other countries to unite with us in restoring bimetallism. As between our gold monometallism and silver monometallism I prefer silver monometallism.

Mr. Smith. You are entirely mistaken in assuming that we now have gold monometallism. Great Britain is a gold monometallic country, because it coins no full legal-tender silver, using only a small quantity of silver for subsidiary coins.

But the United States and France—for both are pursuing the same policy toward silver—are limited bimetallic countries which use a large volume of full legal-tender silver, and are steadily seeking by international action to bring commercial countries into an international agreement on a coinage ratio under free coinage that will insure full bimetallism.

The United States, as I have already stated, uses over six hundred millions of silver as money—as much silver as gold—of which five hundred and forty-nine millions is full legal tender. France uses a little more than half as much full legal-tender silver

as she does gold.

We hear much said about what is styled the "unfriendly atti-tude" of the United States toward silver, and yet as a matter of fact this country has gone to the very verge of safety, if not beyond, in its efforts to maintain silver as a money metal and meet the wishes of silver-mine owners. After what we have done it is rank injustice to stigmatize any considerable body of our people as "silver haters" or "goldbugs."

Mr. Jones. That is, the situation demands that we shall hold on to the limited bimetallism we now have, which gives us five hundred of the rank of the limited bimetallism of full level tondor silver until me.

dred and forty-nine millions of full legal-tender silver, until we can persuade leading commercial nations to unite with us on an international coinage ratio that can be maintained. And this

is just what France is doing.

ABOUT "BARIC" MONEY.

Mr. Vance. But notwithstanding we as well as France use this large volume of full legal-tender silver, yet, as Coin says, none of this silver is final-redemption money; therefore really as to basic money we have nothing but gold.

Mr. Smith. You mean by "basic" or final-redemption money property money, which has in itself the full value that it purports

That kind of money must necessarily be gold or silver coined at its actual bullion value—money worth just as much before the piece of metal is coined as after; and the only reason we do not have silver money of that kind is that you and the 16-to-1 silver men who agree with you will not allow it to be coined at its bullion

In other words, you insist that it shall be coined at a ratio which prevents it from being "basic" or final redemption-money, and not at its bullion ratio, and then turn around and find fault because our silver is not final-redemption money, i.e., money of full value

intrinsically.

Mr. Vance. But we insist that silver would be final-redemption money if it should have free coinage at 16 to 1.

Mr. Smith. Yes, final-redemption money for whatever the silver in each dollar is worth, but no more, just as silver bullion is now practically final-redemption money for what it will sell for. Your

practically final-redemption money for what it will sell for. Your 16-to-1 plan contemplates that our only "basic" money shall be silver, as gold would be driven out.

No one would welcome any plan that would assure both silver and gold as final-redemption money more heartily than myself. What I object to is the 16-to-1 plan, that would leave us nothing but depreciated silver as "basic" money.

The claim of the 16-to-1 free-silver men that they are "bimetallists" is without any foundation. They are silver monometallists and friends of a silver basis.

Mr. Burns. I am fully convinced that is the fact.

VOLUME OF CURRENCY.

Mr. Vance. The remonetization of silver would have a most beneficial effect on prices by increasing the volume of our final-redemption money, for, as Coin says, this volume largely deter-

Mr. Smith. So far as the volume of money in any country affects prices it makes no difference what the character of the money is so long as it is equal in value to gold. Our present volume of silver and paper, and even substitutes for money, like checks and bills of exchange, have the same effect on prices as gold money has. Indeed, it is only money used that affects prices. Money makes don't affect prices.

unused don't affect prices.

Mr. VANCE. I think the source of our trouble is want of suffi-

cient money to transact business.

Mr. Smith. Even if this were so, your 16-to-1 scheme, which would drive out gold, wouldn't give us more money, but much less. Indeed, by injuriously affecting its quality, it would seriously affect our business

But as a matter of fact we never had so much outstanding

But as a matter of fact we never had so much outstanding money as we have had the past few years (sixteen hundred millions), about twice as much per capita as we itad before the war. The trouble is that on account of distrust, which causes depression of business, only a part of our money is used. A large part is unused. We find money apparently scarce because it is inactive, while in fact the outstanding volume never was so large. You confound inactivity, caused by want of confidence, with scarcity; and your remedy is to so manipulate the currency as to increase the distrust. You might add hundreds of millions to the currency and make matters were by increasing the distrust.

and make matters worse by increasing the distrust.

You must remember that however much money is authorized nobody can get it without paying for it. Even with free coinage of silver at 16 to 1 only the owners of silver bullion can take advantage of it. And they won't give away their dollars, you may rest

BIMETALLISM WITHOUT GOLD.

Mr. VANCE. Let me read from Coin's Financial School:

In this controversy one point should never be lost sight of, and this is that higher prices—bimetallic prices—will come with the remonetization of silver (through free coinage at 16 to 1 by this country alone), even though gold goes

Mr. SMITH. Have you stopped to think of the supreme nonsense of the bombastic paragraph you have read from your silver leader? "Though gold goes to a premium" (which would of course take gold out of circulation), he proposes through free coinage of silver at 16 to 1 to have bimetallism. Don't you realize the absurdity of bimetallism without gold?

SILVER AND PRICES OF EXPORTS.

Mr. Vance. But we claim that giving free coinage to silver at 16 to 1 will enable us to keep our gold. Let me read from Coin:

The way to keep our gold is to remonetize silver. Remonetization will give us higher prices for our exports and will make a balance of trade in our favor large enough to bring us both English gold and silver.

Mr. Smith. Is it possible you swallow as gospel truth the statement that free and unlimited coinage of silver at 16 to 1—which the price of the property of t

ment that free and unlimited coinage of silver at 16 to 1—which is what this writer means by remonetization of silver—willincrease the prices of our products in England?

Mr. VANCE. Why not, if it would increase the prices here?

Mr. JONES. You seem to think that an increase of prices here caused by cutting our dollar (for that is what 16-to-1 free coinage would do) is a real increase of the exchangeable value of our exported products. As Mr. Smith has said, we do not have any more cloth when we measure it with an 18-inch yardstick than when we measure it with a 36-inch yardstick, notwithstanding we continue to call the half-yards yards.

when we measure it with a 36-inch yardstick, notwithstanding we continue to call the half-yards yards.

Mr. Burns. I know from experience during the times we had a depreciated greenback dollar that prices raised by diminishing the value of the dollar simply delude us and benefit no one except speculators. As I have already said, a depreciated currency always injures the laborer.

Mr. Smith. What you have said is all true, but I want to call-Mr. Vance's attention to the fact that when we sell our exports in English markets the prices are estimated on a gold basis and not on a silver basis. If we should make one dollar 50 cents, and thereby appear to double prices here, that would have no effect on prices in England or other countries in Europe, where prices are estimated in gold; on the contrary, it would diminish the return estimated in gold; on the contrary, it would diminish the return of the former by imposing a brokerage charge because of the fluctuations of silver.

A SILVER BASIS.

Mr. Vance. I have here a pamphlet on A Silver Basis, published by the American Bimetallic Association, written by Mr. Hillyer, in which it is said that bimetallism, as we understand it—

Is not the constant contemporaneous circulation of both gold and silver, but that when the silver dollar becomes cheaper than the gold dollar the employment of gold should cease and the entire money service be performed by silver alone.

Mr. Jones. Then the bimetallism which you 16-to-1 free-coinage men expect is that "the employment of gold should cease and the entire money service be performed by silver alone," if under free coinage of silver at 16 to 1 silver should be cheaper than gold?

Mr. Vance. That is what I understand.

Mr. SMITH. I wish all the 16-to-1 silver men were as frank as you have. We could then squertly meet the question of a "cilver besis".

Mr. SMITH. I wish all the 10-10-1 silver men were as frank as you are. We could then squarely meet the question of a "silver basis" which the American Bimetallic Association pamphlet advocates. Isn't it an imposition to call a scheme "bimetallism" which contemplates the use of silver alone as money? Don't you think that the American Bimetallic Association, which indorses this pamphlet by sending it out and placing its imprint upon it, had better change its name to American Monometallic Association, so that its name may arrow with its purpose?

its name may agree with its purposes?

Mr. Burns. I think that would be the honest thing to do.

Mr. Vance. I am gratified to say that I am in favor of silver monometallism and a silver basis; and I think this pamphlet has

clearly shown that it would be better for us to have silver and let our gold slide than to go along as we are.

OUR FOREIGN TRADE AND A SILVER BASIS.

Let me read from this pamphlet the advantages which would come to our foreign trade on the whole. While admitting that the adoption of a silver basis might "increase the fluctuations of the rate of exchange" in our trade with the gold-standard nations of the world, and of course hamper and injure this part of our foreign trade, yet he says their population is only 300,000,000, and what we would lose in our trade with them "would be offset by closer trade relations that would come with the silver-basis countries, whose population is 900,000,000."

Mr. Smith. Yes, I have heard that plea privately made before; and I am glad the American Bimetallic Association is getting up its courage to avow that a "silver basis" is what they expect and to squarely defend it.

Now let me examine the claim that our foreign trade with silverbasis nations is more important than that with gold-standard

basis nations is more important than that with gold-standard

In the first place, this pamphlet includes Russia, Argentina, Brazil, and the Spanish, French, English, and Danish West Indies among the silver-basis countries. The first three are on a depreciated paper basis and the remainder on a gold basis; so that 150,000,000 of population must be deducted from the 900,000,000 assigned to the silver-basis side, leaving 750,000,000 to 350,000,000 on the other side. on the other side.

Now, as a matter of fact, the 350,000,000 people that are on a gold basis consume of imported products far more than the 750,000,000 on a silver basis. The fact that they are on a silver basis—which, the writer admits, subjects a people to "greater fluctuations in exchange," that is, greater friction and expense—shows that they are not so far advanced, and have a lower standard of living and consume less.

ard of living and consume less.

Mr. Jones. Can you give us the aggregate value of our exports to gold-basis and also to silver-basis countries?

Mr. Smith. I can. I find by the report of the Bureau of Statistics that in 1893, of over one thousand six hundred millions of tistics that in 1898, or over one thousand six nundred millions, or nearly 90 per cent, was done with countries on a gold basis, of which seven hundred and sixty-five millions was exports and five hundred and thirty millions imports, and only one hundred and seventy millions with countries on a silver basis, of which only fifty-two millions was exports and one hundred and seventeen

nity-two millions was exports and one hundred and seventeen millions imports, together with one hundred and fourteen millions of foreign trade with countries on a depreciated paper basis.

Mr. Burns. So it seems the 16-to-1 scheme proposes to hamper our foreign trade with gold-basis nations, whose trade with us is one thousand three hundred millions annually, in order to get the trade of silver-basis nations, who deal with us to the extent of only \$170,000,000. Is that the feast to which we are invited by the friends of a silver basis?

Mr. SMITH. That is it. Why contrade the contrade of the silver basis?

Mr. SMITH. That is it. Why, our trade with Great Britain alone, which Coin proposes to exchange for that of China, in 1893 was \$814,000,000, of which \$421,000,000 was mainly agricultural exports from this country—eight times as much as all the silverbasis countries of the world took.

HOW TO DOUBLE THE VALUE OF PROPERTY.

Mr. VANCE. But let me read again from Coin:

With silver remonetized and gold at a premium, not one-tenth the hard-ships could result that now afflict us. Why? First, it would double the value of all property; second, only 4 per cent of the business of the people of this nation is carried on with foreign countries. Is it not better to legislate in the interest of 96 per cent of our business than the remaining 4 per cent?

antion is carried on with foreign countries. Is it not better to legislate in the interest of 86 per cent of our business than the remaining 4 per cent?

Mr. Jones. How would the free coinage of silver at 16 to 1 "double the value of all property"?

Mr. Vance. By doubling prices.

Mr. Jones. No man's property would have any higher value after you made 50 cents a dollar than before. Its price estimated in the new dollar unit would be doubled, but it would not exchange for any more of the things he wanted to buy than before.

Any man may sit down and call 50 cents a dollar, and multiply the price of property now worth \$1,000 by 2 and call himself worth \$2,000, and when he has gone through with this imaginative feat he will just as truly "double the value of his property" by this process as he would by having the Government depreciate the dollar to 50 cents by free coinage of silver at 16 to 1.

Mr. Smith. Yes; this is the "fiat" idea of money and wealth again. If depreciating the dollar one-half will double the value of all property, why be so modest when by calling a 25-cent pieco a dollar we can quadruple "the value of all property"?

Mr. Burns. By using paper "fiat" money we could increase "the value of all property" a hundredfold.

Mr. Smith. This fellow Coin, whoever he may be, does not seem to know the difference between value and price. Doubling prices by depreciating the measure does not change value a particle. Cutting the yardstick in the middle aud measuring with the 18-inch rule does not give you any more cloth. Value is the exchangeable relation of one product to all other products. Price

is the relation of a product to the standard by which we measure

Mr. JONES. But I know from observation that when there is a depression in business it is the easiest thing in the world to make thousands believe any absurd theory relative to the influence of the currency on the situation.

the currency on the situation.

Mr. SMTH. If an inquirer will only exercise a little common sense in the matter, he will set aside the prices from 1898 to 1896 as exceptional for very obvious reasons; and then by comparing the prices of 1840 to 1860 or of 1879 to 1890 with those of 1891 he finds no difficulty in accounting for the 25 per cent average decline of manufactured products by the increased use of labor-saving machinery and the reduction of profit by competition, and for the increase of prices of all agricultural products on the farm or at the market near the farm (except wheat and cotton) by the fact that they are produced mainly by hand labor, and by the increase of wages.

THE FALL OF PRICES.

Mr. Vance (with his finger on the page of Coin, professing to give the average prices of wheat and cotton in New York from 1873 to 1895) asked if it was not well-nigh certain that such a fall of prices must have been caused by an appreciation of our gold unit, in which prices are measured.

Mr. Smith. Why do you take 1873 as the point of comparison of

mr. Vance. Because that was the year silver was demonetized in this country, and this was the beginning of the fall of prices.

Mr. Saith. As a matter of fact, according to the tables of Labor Commissioner Wright, who made a careful investigation under the direction of the Senate Committee on Finance, prices began to rise soon after the inauguration of the war of the rebellion in 1861, and rose 36½ points up to 1866, and then began to decline, falling 14½ points in the seven years up to 1873, before what you call "the crime of 1873" was perpetrated, and when the law authorized free coinage of silver, and also fell 13½ points in the nine years between 1873 and 1883, when silver was demonetized.

If the "crime of 1873" caused a decline of 13½ points in prices in the nine years after 1873, pray what caused the decline of 14½ points in the seven years before 1873?

Mr. Jones. Does not the fact that prices rapidly rose during our

Mr. Jones. Does not the fact that prices rapidly rose during our civil war 36½ points and then after 1866 as rapidly declined 14½ points to 1873, when the law allowed free coinage of silver, and 40 points to 1879, when the law did not allow free coinage of silver, clearly show that silver was not the cause of either the rise or the fall? It would be as logical to say that free coinage of silver caused the fall of prices between 1866 and 1873 as that repeal of free coinage caused the fall after 1893.

Mr. Smith. Certainly. A mere statement of these facts shows that the very natural cause of the rise of prices between 1861 and 1866 was the war, which took 2,000,000 men from the ranks of producers and made them destructive consumers, together with the depreciation of the currency consumers; and that the equally natural cause of the fall (aside from the ordinary causes of decline of prices of machine-made goods) was the return of the disbanded army to productive pursuits and the gradual recuperations and restoration of industries and of the currency to their normal condition between 1866 and 1879.

Mr. Burns. Evidently the rise of prices during the war and the gradual fall up to 1879 should be entirely set aside in any discussion of the course of prices. A big rise on account of the war was inevitably gradually offset by a corresponding fall during the period of readjustment and recuperation up to about 1879, when

we got back to specie payments.

Mr. Jones. How much lower were average prices in 1879 than in 1860;

Mr. Smith. Only 3½ per cent.

Here is Commissioner Wright's table of average prices of 246 articles and also of wages from 1840 to 1891, the prices of 1860 being represented by the index number 100 as the basis of comparison, and the index number for each year indicating the rise or fall from that basis. I have added the London price of silver per onnce for each of the years named:

Year.	Average prices.	Average wages.	Prices silver per ounce.
1840	116.8 107.5 106.4 98.7 103.9 113.2 100 136.3 117.3 123 96.6 108.5	87.7 80.6 80.3 92.5 90.4 99.2 100 108.8 133.7 148.3 139.9 140.9 150.7 166.7	\$1.87 1.28‡ 1.30 1.31 1.31‡ 1.35‡ 1.35 1.37 1.27‡ 1.13 1.13 1.06

Mr. Burns. What was the average decline of prices between

Mr. SMITH. Only 41 points. That makes the fall of prices be-Arr. SMITH. Only 4½ points. That makes the fall of prices between 1860 and 1891 average only 7½ per cent. The average fall of prices of manufactured articles was about 25 per cent—some articles, like steel rails and wire nails and kerosene oil, falling 80 per cent, and others only 10 or 15 per cent. But agricultural products on the whole advanced in price 2 per cent between 1860 and 1891. The only two agricultural products that fell in price were cotton and wheat. Other agricultural products rose from 8 to 15 per cent.

Mr. Burns. Why do the 16-to-1 silver men always take only wheat and cotton when they are talking to farmers about the fall

Mr. SMITH. For the obvious reason that if they took any other

farm products they would have no stock in trade.

Mr. Jones. When they refer to wheat don't they usually take
New York prices, so as to be able to make the decline on account of reduction of cost of transportation, said to be at least 25 cents since 1868, appear to be the farmer's loss?

Mr. SMITH. Certainly; that is one of the tricks of these agitators. And they also take cotton because, in consequence of the utilization within a recent period of the former waste product of cotton seed, the real cost of production of cotton has been much

But I notice that it is getting late, and we must close for to-night.

I have discussed somewhat the question of prices in connection with silver, and as these and payment of debts are the great stock in trade of the 16-to-1 free-silver advocates, I desire to further consider them another evening, if you are willing to come here again

next Wednesday evening.

Messrs. Jones, Burns, and Vance (speaking together). By all

means we will be here.

Third evening.

Just as the minute hand indicated the hour set for the third and last of the series of talks of the four neighbors on the silver and money question, and the last rays of the setting sun gilded the church spire across the street, Mr. Smith, Mr. Jones, Mr. Vance, and Mr. Burns walked up the lane by the little red schoolhouse, in front of which waved the Stars and Stripes, entered the door of the old farm mansion, and took their seats around the old table. As promised at the last meeting, Mr. Smith said he desired to add a few words to what he had said at the last meeting on the question of prices.

PRICES OF FARM PRODUCTS ON THE FARM.

Mr. Jones. Have you the average prices in this country of leading agricultural products on the farm or in the market nearest

the farm in recent years?

Mr. Smith. The report of the Statistician of the Agricultural Department for 1894 gives them for wheat, corn, and oats from They are as follows:

Year.	Wheat.	Corn.	Oats.	Year.	Wheat.	Corn.	Oats.
1880	\$0.95 1.19 .88 .91 .645 .77 .688 .68	\$0,395 .635 .485 .425 .358 .328 .365 .445	\$0.36 .465 .375 .328 .278 .285 .298 .305	1888	\$0.925 .698 .838 .84 .625 .538 .49	\$0,345 .283 .505 .405 .305 .365 .458	\$0. 278 .23 .425 .315 .318 .296 .325

The average price of wheat on the farms of the country between 1879 and 1889, it will be seen was 84.5 cents, and between 1889 and 1891, inclusive, 81.5 cents; but between 1892 and 1894 it was only 58 cents. There was very little change in the average price on the farm until 1892, 1893, and 1894—since the exceptional depression of business and reduction of consumption. One-fourth less wheat per inhabitant was consumed in 1894, than was consumed in 1892. This shows what has had a potent influence in depressing wheat and other farm products in the past three years. The average farm price of corn, which is the most important farm crop in this country, between 1879 and 1889 was 39.3 cents, and it was 42.4 cents between 1889 and 1894; the average price of oats, first period, 31 cents; second period, 33 cents. And the value of our oat crop in 1894 was about the same as that of our wheat crop.

I have also the export prices at New York of bacon, lard, pork, beef, butter, and eggs, from the report of the Bureau of Statistics, which shows that all of these articles were higher on the average in the seven years from 1885 to 1892 than in the seven previous

Mr. Jones. You have given the average price of wheat on the farms, which of course includes the price on the farms of the East. Now, have you the average price of wheat in different years in Chicago, which gives us a better idea of the movement of the price of wheat at the West? The price in the New York market, given in "Coin," is obviously misleading, because in that fall of prices is included the decline of cost of transportation of wheat from Chicago to the seaboard, which has been 25 cents since 1868. This obviously is not the less of the farmer or anybody else, for wheat could have fallen 25 cents since 1870 and still the West-

ern farmer would get the same.

Mr. Smith. I am glad you called my attention to this. Here is the average price of wheat in Chicago for the years named:

Year.	Range.	Price.	Year.	Range.	Price.
1860	1.55 to 2.85 1.04 to 2.20 .763 to 1.46 .734 to 1.31 .904 to 1.32 1.01 to 1.61 .30 to 1.46	\$0.9C .87 .80 .90 1.50 1.20 1.30 2.00 1.10 1.03 1.10 1.30 1.12 1.10	1877	.66; to .91; .71 to 2.00	\$1.30 .90 1.00 1.06 1.14 1.00 .83 .81 .77 .81 1.10
1875	69 to 1.90	1.05	1892	.60 to .93	.8

You will observe that the prices of wheat in 1860, 1861, 1862, and 1863 were substantially the same as the prices from 1884 to 1891. Of course the prices from 1864 to 1872 are the inflated prices due to the effects of war, from which we did not recover fully till 1879. The prices of wheat and cotton since 1802 have been abnormally depressed by the impairment of the consuming power of the people by causes that did not exist between 1879 and 1802. Wheat was higher in 1877, 1879, 1880, 1881, 1882, 1883, 1888, and 1891, after the so-called crime of 1873, than it was in any year from 1860 to 1863 or any year prior to 1848.

It is noticeable also that the price of wheat is subject to great fluctuations, dependent on the supposed shortage or excess of supply in the whole world.

Mr. JONES. Then, outside of wheat and cotton, which seem to have been exceptions to the rule for the reasons you have stated, You will observe that the prices of wheat in 1860, 1861, 1862,

have been exceptions to the rule for the reasons you have stated, farm products in recent years, up to 1892 at least, show no decline on the farm, the apparent decline in great markets removed from the farm being mainly due to reduction of cost of transportation, which is a gain to the consumer and not a loss to the producer.

Mr. Smith. That is the fact. Of course, if prices have been diminished by the material appreciation of gold, all prices would

have been uniformly affected.

COTTON AND WHEAT.

Mr. Jones. I can understand why cotton has fallen because of the utilization of cotton seed and the enormous increase of production, although, of course, it has not fallen so much as the agitators try to make out by taking the exceptionally big price during the reconstruction period. But why is it that wheat has fallen, while corn has maintained its price?

Mr. SMITH. There are two reasons why wheat has fallen: First Mr. Smith. There are two reasons why wheat has failed: First, it is the one agricultural product in whose production new machinery and cultivation on a large scale have recently entered; and secondly, it has had within a few years the increased competition of the wheat fields of South America and India, developed by the construction of railroads by the British Government.

Mr. Vance. Yes; and it is largely because England can buy silver at a discount and purchase as much wheat as ever in India with an ounce of silver that we find Indian competition so destructive.

Mr. Smith. And you propose to overcome this by having the United States alone adopt the silver basis of India, so that England can buy wheat of our farmers by paying them in depreciated silver instead of gold, as she now pays us. This is a remedy for low prices which England, from selfish considerations, would be cled to see us adopt. to see us adopt.

Mr. Burns. Is it not singular that England finds men who are shouting fiercely against her ready to go in for a policy that will enable her to come the same silver scoop on our farmers that they

enable her to come the same silver scoop on our farmers that they say she is using on the India farmers?

Mr. Smith. Before I pass from prices of farm products I want to give you figures of comparative prices of farm products in Maine in 1858 and 1892, furnished me by a Maine gentleman. It seems from these figures, which I will not stop to read, that the average prices of farm products in Maine (little wheat and no cotton being raised in that State) were 28 per cent higher in 1892 than in 1858. The gentleman further informs me that this increase of average prices was mainly due to the increased introduction of manufacturing enterprises, which have furnished a home market for the products of the farm and saved the loss of cost of transportation. cost of transportation.

Mr. Jones. I suggest that if our Western farmers would study such facts as these, and pay less attention to 16 to 1 silver schemers, we should find a practical remedy for hard times.

Mr. Smith. It should be borne in mind that there was very little

difference in the average price of wheat and cotton for fifteen years before 1860 and the fifteen years from 1878 to 1892, inclusive, Cotton was 10% cents per pound in the former period and 10% cents in the latter period. Cotton was only 5% cents in New York in April, 1843. Wheat in Chicago averaged 92 cents in the former April, 1843. Wheat in Chicago averaged 92 cents in the former period and 98 cents in the latter period. The average property wheat in Chicago from 1840 to 1846 was only 67 cents. It is since 1891 that the abnormally low prices of cotton and wheat have prevailed, and it is certain we shall have a higher range of prices as business recuperates.

Mr. Vance. There is wool, which has declined 11 cents per pound within two years. How do you account for that except on the ground that gold, which measures its price, has appreciated? This is one of the articles to which Coin refers.

Mr. Smith. The world's price of wool is made by the great woolproducing countries of South America, Australia, and South Africa, where land costs almost nothing, labor is cheap, and the flocks do not have to be housed or fed. As their product has increased, produced at reduced cost, the world's price has naturally declined.

We imposed a duty of 11 cents per pound on clothing wool to

declined.

We imposed a duty of 11 cents per pound on clothing wool to protect our farmers and encourage woolgrowing here. The election of 1892 decided, among other things, that this duty should be abolished, and as soon as this became known the price began to fall in anticipation of the removal of duty, as woolen goods are made many months before they go into consumption. Thus even made many months before they go into consumption. Thus even before the duty was actually removed in August, 1894, the price here had settled down into a free-trade basis, and for this reason 11 cents lower than before the election of 1892, and is now sold here at the world's price.

I may mention the fact that wool in London is no lower now than

in 1892, a fact which shows that, so far as the price of wool indicates, gold can not have appreciated since that time on the basis

of your own arguments.

Mr. Jones. I notice that the present silver agitation finds its support in the abnormal fall of prices in the past two years in consequence of the paralysis of industries caused largely by the anticipation at first and subsequently the realization of disturbing tariff changes. By skillfully charging this exceptional decline to "the crime of 1873" the agitators have made many unthinking persons believe that it is really so.

Mr. Smith. That's so. Strange as it may seem, thousands have swallowed the charge that the so-called demonetization of silver in 1873 caused the exceptional fall of prices in the past two years, without stopping to ask themselves how it happened that there was so little fall in prices between 1873 and 1892, when this cause was operating just the same as in the past two years. By general consent the most prosperous period of this country was between 1879 and 1892.

Mr. Burns. Here is a picture in Coin presenting a contrast between what he calls the prosperous "bimetallic" times of 1872

and the depression of the past two years.

Mr. Smith. That's amusing, because in 1872-73 we had no "metallism" whatever—not a dollar of either silver or gold in our cur-

Besides, Coin has so little regard for facts that he forgets that in 1872-73 we were by no means so prosperous as we were from 1879 to 1893, during all of which time what he calls "the crime

of 1873" was in force.

Mr. Vance. Coin says that an ounce of silver will buy as much of anything as ever, and that this shows that it is not silver that has declined, but gold that measures prices.

Mr. Smith. If it were true that an ounce of silver would buy

as much of anything as ever, that would only show that the cost of producing silver had declined the same as the cost of producing articles, and would simply prove that silver is not a stable meas-

But it is not true, except as to articles whose cost of production has declined the same as silver. Except as to cotton and wheat (and only part of the time as to them) an ounce of silver will not buy as much corn, oats, pork, beef, or any other agricultural product as it would have done before 1860. It will buy more steel, kerosene, and other articles whose cost of production has declined 80 per cent, and less of all products whose cost of production has declined less than 50 per cent.

Mr. Burns. I was reading a silver speech a few days ago in which it was said that silver would buy as much labor as ever in silver-basis countries like Mexico and India.

Mr. SMITH. Very likely that is so, for the reason that when the currency is depreciated wages are the last thing to rise. This is the reason that a depreciated currency always cheats labor first.

Mr. Burns. This free-silver 16-to-1 feast is evidently one which workingmen should avoid.

DIFFERENT KINDS OF FALLING PRICES.

"What we all understand, I think," said Vance, as he thought of the havoc made in the market by the "bears," "is that falling prices are very injurious to any country, and that they should be got rid of by the right kind of monetary legislation. Don't you look upon falling prices as a great evil?"

Mr. SMITH. That depends upon what causes falling prices.

Falling prices that come naturally from labor-saving machinery and improvements in means of transportation are a blessing and to be sought after, while falling prices caused by a reduction of wages of labor or by a sudden arrest of the industries through distrust of the future and the consequent diminution of the consuming power of the people, as we have had the past two years,

are a curse.

Those who are trying to make the people believe that legislation in respect to silver in 1873 has caused the depression of business in the past two years ought to ask themselves how it happened that we had such unexampled prosperity between 1879 and 1892 under this very legislation.

Mr. JONES. I think that we farmers have got the impression that prices have greatly fallen by having had our attention fastened on nothing but wheat and by the exceptionally low prices of everything the past two years.

of everything the past two years.

Mr. Smith. Undoubtedly. The 16-to-1 silver agitators have seized on the depression of business as a favorable time to agitate. They must hurry up their work, for they will soon be as dead as the Greenbackers were when business revived in 1879. When farmers see wheat and cotton rising, as they already have risen as business revives, they will not be long in discovering that silver had nothing to do with the fall of prices, as it is having nothing to do with their rise.

Mr. Jones. Before we pass from this question of prices, I want to inquire if you can give us any light on the course of prices

between 1840 and 1860? Mr. SMITH. I read to you a few minutes ago Labor Commis-Mr. SMITH. I read to you a few minutes ago Labor Commissioner Wright's statistics as to general prices, from which it appeared that average prices declined 16‡ points between 1840 and 1860, and only 7‡ points between 1860 and 1892. So you will see that while the general trend of prices is downward with everything but hand-labor farm products, on account of labor-saving devices, and while the fall of prices of machine-made products has been greater in the past twenty years than ever before, because of increased inventions and severe competition that has reduced profits, yet average prices on the whole have fallen no more since 1860 than before.

RISE OF PRICES BY DEPRECIATING THE DOLLAR.

1860 than before.

Mr. VANCE. Wouldn't the increase of prices that would come

Mr. VANCE. Wouldn't the increase of prices that would come from a silver basis increase the prosperity of the country?

Mr. SMITH. Of course you would increase nominal prices by going to a silver basis and thus making 50 cents a dollar, just as measuring cloth with an 18-inch yardstick would give a greater number of such yards, but no more cloth.

What advantage would it be to anyone to call a half dollar a whole dollar and then proceed to adjust prices of what we have to

dollar? Of course it would raise the prices of what we have to buy, just the same as it would raise the price of what we have to sell. Nobody would gain anything by the change. It would take just the same number of bushels of any farm product to

buy anything as before.

The disadvantage would be, however, in the unsettling of prices and disturbance of trade at home, and in giving us a different money standard from that of our customers abroad, thus necessitating the payment of a new brokerage by every farmer on export products. And aside from all this there would be the disturbance and expense of a varying silver standard.

WAGES OF LABOR AND INTEREST

Mr. Burns. What I should like to know is whether wages have not risen and rates of interest fallen since 1860, and even since

Mr. Jones. We all know that wages were 60 per cent higher in 1892 than in 1860, and 10 per cent higher in 1892 than in 1873, as stated by Commissioner Wright's tables, and that the rate of instated by Commissioner Wright's fables, and that the rate of interest on loans in any part of this country was at least one-fourth lower in 1892 than in 1860, and even in 1873. These important prices, that of labor and that of use of borrowed capital, don't show an increase, which might be expected if gold, the measurer of wages and interest, had risen to any material extent. Daniel Webster once said that depreciated money always cheated the workingman. workingman.

Mr. SMITH. That is sound reasoning, for wages and interest are a much surer test of the value of money than prices of products subject for the most part to the reduction of cost of production by labor-saving devices and methods. A SILVER BASIS AND DEBTS.

Mr. VANCE. The fact is, the strong reason for a silver basis is that it will relieve us from the great burden of debt which now oppresses the country—a debt which we believe has been doubled by the appreciation of gold under the gold basis. We object to gold because we believe when used alone as full redemption money it is constantly increasing in value

Mr. Sauth. You have now undoubted y struck the argument on which the free-silver 16-to-1 scheme wins the most of its support outside of the personal interest of silver-mine owners. It appears to be a plan to discharge debts for 50 cents on the dollar, and this of itself is very taking in periods of business depression.

Mr. Vance. But when debts have been doubled by the appreciation of gold, isn't it a fair thing to pay simply what was bor-

Mr. Smith. I presume the supporters of the scheme to wipe out debts at 50 cents on the dollar have persuaded themselves that they are really not trying to cheat their creditors; but did it ever occur to you that the money which all these debtors borrowed was equal in value to gold when borrowed, and that in the ordinary life of private debts there can not have been much change in the value of the gold dollar?

Mr. Jones. What is the average life of private debts?

Mr. SMITH. Less than a year, and even in the case of loans secured by mortgage only three years. It is doubtful if there are any considerable number of existing private debts ten years old,

and but very few five years old.

Mr. Jones. I think you said that even the rise of gold between 1879 and 1891 was not half of 1 per cent per annum, and that since 1892 it is believed there had been no rise. Also that this rise between 1870 and 1891 was about the same as the fall of gold between 1850 and 1865.

Mr. SMITH. That is believed to have been the case. The change in the value of gold in one year is so small that it can not materially affect deferred payments; and it is because it changes so little that by common consent in international trade, where no law can come in, gold is accepted as the standard of value. If there is in some periods a slight appreciation, in succeeding periods there is a corresponding decline. Unquestionably a period of decline of gold is already at hand.

Mr. Burns. Is there the slightest evidence that gold appreciated

40 or 50 per cent between 1870 and 1892?

Mr. Smith. Not the slightest. On the contrary, the small decline of average prices from 1879, when we got back to specie payments and normal conditions, to 1892, just before the exceptional business depression set in which temporarily reduced prices abnormally, makes it impossible that the rise of gold could have been, in the thirteen years before 1892, 10 per cent at the outside. So that a debt contracted within three years has probably not appre-

Mr. JONES. And because of this it is proposed to depreciate the

Mr. Source. That is the fact. It is worthy of note that it is claimed gold appreciates under our present so-called system, by which in this country we use as much silver as gold as money; and it is proposed by the 16-to-1 schemers to remedy this by a plan that would eventuate in the use of only silver and drive out our gold, thus greatly contracting our currency.

Mr. Vance. But does not the run on our Treasury reserve gold

the past year show that there is not enough to go round?

Mr. Smith. Even if that were the case we should only cause a run on what we have by adopting the 16-to-1 scheme, for we couldn't use silver dollars in settling foreign balances, should have to use silver as bullion then just as we do now. We 16-to-1 scheme would cause foreign investors to withdraw the capital they have here now. Indeed, it was distrust of our ability or intention to pay our foreign debts in gold or its equivalent that caused the run on our gold—a distrust which was made active by the failure to maintain our revenue equal to our expenditure—the failure to maintain our redemption fund.

That the run on our Treasury was not caused by scarcity of gold abroad was clearly shown by the fact that the gold taken from us was simply accumulated and held as idle money in foreign commercial centers.

DEBT PAYING IN WHEAT.

Mr. VANCE. But is it not true that, while a debt of \$1,000 con-Ar. VANCE. But is it not true that, while a debt of \$1,000 contracted in 1891 could have been paid with 1,000 bushels of wheat, last winter it would have required 2,000 bushels of wheat to pay it?

Mr. Shith. But even suppose that was so—for I notice you select a year when the wheat crop was short and the price the

highest and compare it with another year in an exceptional business depression, when the crop was large and the price the lowest—what does that have to do with the payment of a debt to be paid

not in wheat but in money?

Supposing wheat should be \$1 next year, as it would be if the crop should be short, how would it then be with a debt of \$1,000 contracted in 1893, when wheat was 50 cents when the \$1,000

would have bought 2,000 bushels? Would you contend that because of this fact the debtor should now give the creditor 2,000 bushels of wheat or its proceeds? You shake your head. But why not, if your argument in the first case is sound?

Mr. Jones. Neither view would be sound, because the money borrowed was not made payable in wheat, but in money. The man who loaned the money was not dealing in wheat futures. If he had been he would then have taken his chances in the future of wheat. He simply lent money equivalent to gold at a low rate, without charging anything for the risk involved in the future price

without charging anything for the risk involved in the future price of any product.

Mr. SMITH. Why do you not take corn, oats, pork, beef, lard, butter, or some other farm product to illustrate the position of the borrower? Corn was higher in Chicago in 1892 than in any other year but one since 1879. A debt contracted in 1879 for \$1,000 would have required 2,225 bushels of corn to pay it, but in 1892 it could have been paid with 1,800 bushels. Do you think the creditor in 1892 was entitled to have the 425 bushels of corn every in 1892? extra in 1892?

Mr. Vance. No, I don't.
Mr. SMITH. I agree with you. But why not on your theory?
Mr. JONES. Because it was a loan to be paid in money. And
the same principle applies to Vance's wheat hypothesis.
Mr. Vance. What I contend is that the value of the money has

increased.

Mr. SMITH. And you propose to have the prices of wheat and cotton alone determine whether money has appreciated, when the price of other farm products (if such an argument from prices is

price of other farm products (if such an argument from prices is sound) would prove the reverse.

Mr. Vance. But you must admit that the farmer who raises wheat does suffer in debt paying just as I have pointed out.

Mr. Smith. But an intelligent farmer may be relied upon to raise crops that in the long run pay best. One particular crop, especially a crop like wheat, whese price depends on the world's yield, may not pay one year, for various exceptional reasons, and may pay largely another year. This is a good reason for diversification of farm products. No good farmer raises wheat exclusively, especially when he knows by experience that wheat is export product that goes up and down according to the favorable export product that goes up and down according to the favorable or unfavorable season, varying from 50 cents to \$1.34 in Chicago—\$1.02 in 1876, 90 cents in 1878, \$1.16 in 1881, 77 cents in 1886, and

Mr. Burns. It seems to me that any attempt to measure money by wheat or cotton would give us a very uncertain standard of

Mr. SMITH. Of course it would. And yet the 16-to-1 silver men are relying entirely on the price of wheat and cotton to prove

Mr. Jones. But in view of the fact that both wheat and cotton have risen considerably since the spring of 1895, they must conclude that both gold and debts have greatly depreciated within a

few months.

Mr. Smith. We must remember that all the talk about the advantage or disadvantage to the debtor of a depreciation or appreciation of the dollar is of little consequence, for the reason that every new debt that is contracted will be made not on the basis of the former dollar but of the new depreciated dollar. It is a temporary advantage or disadvantage at the most, and not of the slightest consequence as compared with the value of confidence in the gigantic daily exchanges. The change in the gold dollar in any one year is so slight as to not materially affect either creditors or debtors. The dollar should be so stable as to inspire confidence. But when the value of the dollar unit is suddenly and materially changed by legislation, uncertainty reigns and paralysis seizes upon business.

DEBTS PAID WITH PRODUCTS.

Mr. Vance. When it is considered that the private and public debts of the people of this country are forty thousand millions, I should like to know how anyone supposes we can pay with the mere pittance of six hundred millions of gold?

Mr. Smith. That is a wild guess, for I am not aware of any reliable statistics as to our private indebtedness. We simply know our public and corporate indebtedness, and that is but a fraction of the his sum our public way are supposed.

of the big sum you name.

But whatever the sum may be, it is for value received. Every dollar for which we are indebted was borrowed in gold or its equivalent. More than that, it must be inferred that whatever has been borrowed has been in the main profitably used; so that the borrowing has made us richer.

Mr. VANCE. Our railroad bonds alone held abroad are a gigan-

Mr. VANCE. Our railroad bonds alone held abroad are a gigantic mortgage on the country.

Mr. Smith. Practically the larger part of the railroad bonds held abroad represent the money which built the roads, and the holders of them are really owners of the roads. It is not expected that anything more than the interest on the bonds will be paid, as

this is in reality a dividend to the owners when the roads pay. And instead of being impoverished by the construction of these roads by foreign capital, we have been enriched. The debt is only

Mr. Vance. But must we not send gold to Europe to pay the annual interest, estimated at two hundred millions, on these foreign investments or bonds? And where is it coming from if we can use only gold? We produce only thirty-five or forty millions of

mr. SMITH. We payneither interest nor principal of our foreign or domestic indebtedness in gold. We pay in exported products, and one of these products is silver. Last year we exported about \$40,000,000 in silver. If silver had free coinage here at 16 to 1 it could not go further in paying indebtedness or for purchases abroad than it does now. Gold is used only to settle the balance of trade. of trade.

of trade.

DEET PAYING IN LABOR.

Mr. BURNS. We laborers have the idea that after all it is labor (harnessed to capital in the form of labor-saving appliances, etc.) which finally pays debts through the products of labor and capital; and that the vital question is whether since 1873 (or perhaps 1879 would be a fairer basis of comparison) it would have required more labor in 1892 to pay a debt contracted in money in 1873 or in 1879 than it would have required at the time the debt was contracted.

Mr. SMITH. You are right in making the comparison on the basis of the wages of labor, for the reason that the true test is not how many pounds or bushels of any product, but how many days' labor it takes to produce the article used to make deferred paylabor it takes to produce the article used to make deferred payments. The price of an article may be 25 per cent less than a few years before, but if by reason of labor-saving devices it takes 33 per cent less labor to produce the articles, then of course the payment of the debt at the later period is easier than it would have been at the earlier period. Now, I find by Labor Commissioner Wright's tables that wages, estimated in gold, were 148 points in 1873 and 1604 in 1891, or 124 points higher in 1891 than in 1873. In other words, a debt of \$1,480 could have been paid with 10 per cent less labor in 1891 than in 1873 and with 15 per cent less labor in 1891.

in 1891 than in 1879.

Mr. Burns. This does not look much like an increase of the burden of a debt between 1873 and 1891.

OUR FOREIGN DEBTS.

Mr. Vance. But inasmuch as we are a debtor nation and England a creditor nation, I can see how it is England's advantage to make its debts as large as possible by holding onto gold as the standard of value. But isn't it for our advantage to keep our debts down by paying silver as our standard?

Mr. SMITH. It is true that we have a country of immense natural resources awaiting development and therefore that we can

art. SMITH. It is true that we have a country of immense natural resources awaiting development, and therefore that we can and do profitably use foreign capital, while England is an old and finished country, with few natural resources that already are not developed, and hence has spare capital. This of course makes it for our interest to borrow in order to make more money.

Now, looking at this situation solely from the standpoint of our

own welfare, it is for our advantage to maintain our credit so as to be able to borrow at a low rate of interest. It is because we have maintained our credit and kept our money at par with gold that maintained our credit and kept our money at par with gold that for years we have been able to borrow abroad at so low a rate of interest, while the silver-basis countries that have a demoralized currency have to pay higher interest and pay in gold, too. In other words, because we are borrowers, it is for our interest to maintain all our currency equal to gold. Rest assured that if we should go to a silver basis we should have to pay dearly for it. England, if she looked at the matter selfishly, would not object to having us cripple ourselves by going to a silver basis.

I notice that China's new loan has been negotiated at 6 per cent, while ours has been negotiated on a basis about half that.

THE WEST AND THE EAST.

Mr. Vance. The West is overwhelmingly in debt to the East, and this indebtedness is increased by the appreciation of money. The situation is well shown by an illustration in Coin of a cow generously fed by the West while the East gets all the milk.

Mr. Jones. Is it not a little ungenerous, not to say unwise, to reproach the longer-settled East for having confidence enough in us to loan us money to develop the West, especially when we have been able to use the money so profitably? When the West is as old as the East we shall be far richer than the East now is and can return the favor.

as the East we shall be far richer than the East now is and can return the favor.

Mr. Smith. That is well said, Mr. Jones. As a matter of fact, even our own mortgages have been generally given for loans of money to pay for our farms, to buy new land, or to construct buildings and improve our facilities for making money. And instead of growing poorer, as Coin would have you believe, the West has increased in wealth faster than even the East. I have here the census figures of the per cent and per inhabitant increase of wealth

of the different sections of country between 1880 and 1890, and let me read them:

Per cent and per inhabitant increase of wealth, 1880-1890.

	Increase wealth.	Increase per capita.
North Atlantic division North Central division. Western division. South Atlantic division South Central division.	900 40	\$23 197 950 84 148

Mr. Burns. That looks very much as if Coin ought to have turned his cow around and placed the head at the East and the milkers

Mr. JONES. Of course, the fact is that we have been mutually benefited as parts of a common country. The fellow who will try to stir up prejudices and passions between different parts of our common country so as to accomplish his selfish ends is unpatriotic and reckless.

Mr. Smith. The impression that the West is more deeply in debt an the rest of the country is a mistake. Take the State, counthan the rest of the country is a mistake. Take the State, country, and municipal debt of the West, and it is by no means as great as that of the East. According to the census of 1890 this debt, per capita, was \$26.89 for New England, New York, and Pennsylvania, and only \$14.32 for the 12 central Western States, and \$22.09 for the States west of the Mississippi. The similar debt of Great

Britain is \$87.79 per capita.

Mr. Jones. I think that I voice the sentiment of the West when I say that the desire to depreciate the dollar in order to pay debts easier is exceptional. We are able to pay our debts and intend to do so. Whenever we can not we will not ask that the currency be depreciated and business demoralized to help us out, but will rely upon the insolvent laws which each State passes to relieve honest but unfortunate debtors.

NO DISTINCT DEBTOR AND CREDITOR CLASSES

Mr. SMITH. It is a great mistake to suppose that there is a large, exclusive, distinct debtor class. Most men are both debtors and creditors. The only class that are exclusively creditors is the

workingmen. They pay as they go, and their savings make the great mass of deposits in our savings banks.

Bankers make loans to a very small extent of their own money. It is their business to loan the money of depositors. The workingmen of this country have over one thousand seven hundred and fifty-eight millions of deposits in savings banks and a consid-erable part of the three thousand millions of deposits in all other banks, nearly four thousand seven hundred millions of deposits in all. It is these deposits that furnish the most of the loanable funds with which the business of the country is carried on.

A scheme to depreciate our money by going to a silver basis would rob the workingmen of this country of at least one thousand millions of dollars of their savings and would rob them far more than this of their wages.

Mr. Burns. I want to say once for all that the workingmen of this country will drop this 16-to-1 silver scheme like a hot potato just as soon as they examine it.

DEPOSITS AND MONEY.

Mr. SMITH. Let me read to you the official statement of deposits in the various kinds of institutions:

In national banks	648, 573, 800 411, 650, 000 1, 758, 329, 618

Mr. VANCE. I do not understand how there can be four thousand seven hundred millions of deposits in banks to be loaned when there are only one thousand six hundred millions of money

when there are only one thousand six hundred millions of money in the country. It seems to me that it would require four thousand seven hundred millions of money to make such deposits.

Mr. SMITH. You evidently have the misconception of the office of money that Coin has when he talks about the impossibility of paying five thousand millions of debt with one thousand six hundred millions of currency. Money is simply a common medium or tool of exchange, but the real wealth exchanged is products. dum or tool of exchange, but the real wealth exchanged is products. A thousand dollars in money may perform a dozen thousand-dollar exchanges of property or pay a dozen thousand-dollar
debts in a single day. The name "currency" means something
that runs or circulates from hand to hand. So the money that a
workingman deposits to-day is loaned, perhaps, before night, to
the manufacturer, who pays it out again to his workingmen tomorrow, when it can be again deposited and reloaned, and so on.
You will see at once that the volume of money or number of

tools of exchange required depends very largely upon the facilities for expediting exchanges. Bank checks, bills of exchange,

ties for expediting exchanges. Bank checks, bills of exchange, etc., offer substitutes for money more convenient than money itself, and, what is more, have precisely the same effect on prices that coin or any other kind of money would have. Ninety-two per cent of all exchanges are made by means of substitutes for money, and only 6 per cent with money.

No one is wise enough to determine beforehand just how much money our country needs. That can be determined only by business demands. A supply of more than is required lies idle, and there is a loss of interest. More is required at some seasons than at others. The Government, for example, has coined \$75,000,000 in half and quarter dollars and dimes, but it is found impossible to keep much more than \$60,000,000 in circulation. When more to keep much more than \$60,000,000 in circulation. is paid out it returns. When more

STABILITY AND UNIFORMITY OF STANDARD OF VALUE.

Mr. VANCE. While I can see now that it is impossible for us to get away from the world's standard of value (gold) in interna-tional trade, which is only 4 per cent of our entire trade, yet it seems to me that in our domestic trade, which is 96 per cent of our aggregate trade, we could adopt a silver basis with positive advan-

Mr. SMITH. Does it not occur to you that there would be great confusion, friction, and unnecessary expense in having one standard of value (gold) for our foreign trade and another standard (silver) for our domestic trade?

All our imports, for example, are sold in our domestic markets. If they are bought on one standard and sold on another, there is increased expense and risk to be charged to our consumers, especially if our standard is more variable than the world's standard.

Again, all our exports would be bought here on one standard and sold abroad on another. And rest assured the producers of farm products would have to pay the brokerage incident to differ-

ent standards of value.

Not only that, but the fact that silver is a fluctuating metal would bring a new element of risk in the fluctuations of exchange which we would have to pay for.

Mr. Jones, Inasmuch as prices are really made in the world's

markets on a gold basis, would not the fluctuations of silver make more changeable and uncertain prices in our domestic trade than we have now, and thus introduce a new gambling element into

we have now, and thus introduce a new games our trade which would work serious injury?

Mr. Smith. Certainly. The currency of any country is the lifeblood of its commercial existence, and the fluctuating character of the currency of any country is the lifeblood of its commercial existence, and the fluctuating character of the currency of the curren possible stability and the greatest possible uniformity of the standard of value in the leading commercial nations is a necessity. country which does not keep in touch with the commercial world as to its standard of value will be surely distanced in its foreign trade and seriously injured in its domestic trade.

must be remembered that in these days of steam and electricity the whole world is one in a very important respect. There now can be no surplus of money or merchandise anywhere in the world that it is not hurried to fill the shortage. The facility of transfer tends to equalize values and prices throughout the world except so far as tariffs differ. We know every evening what has been going on in every part of the world during the day—the condition of the crops, where there is a surplus and where there is a shortage; and in every great market supply and demand meet and the adjustment of prices takes place, and the universal language in which these prices are expressed in grains of gold.

Mr. Burns. Do you remember the extent of our domestic trade?

SMITH. I remember that the transactions through our national banks alone reach one hundred and twenty thousand millions per annum—more than two thousand three hundred millions per week, four hundred millions every secular day, and forty millions every business hour, in all of which the value of the practical standard dollar is the controlling element.

Not a bushel of corn or wheat, not a pound of hay or cotton, not a yard of cloth, not a day's work, is sold or bought into which this value does not enter. Surely legislation which proposes to suddenly disturb this value to the extent of 50 per cent, and especially to give us a fluctuating standard whose value is subject to the same changes as wheat, or cotton, or oil, a standard or measure whose own value must be first estimated, should be advo-

cated with bated breath.

Mr. Vance. But won't the fact that the depreciation of silver would give us rising prices be of itself a stimulator of trade and

prosperity?

Mr. Smith. We have the experience of past schemes to depre-Mr. Smith. We have the experience of past schemes to depreciate the currency to guide us. While temporarily the speculative spirit is stimulated, yet the final result has been to demoralize, disturb, and finally wreck all business enterprises and plunge the country into despair, whenever the currency has been depreciated in peace. A forced depreciation of the currency in war is tided over as long as the war lasts because of war expenditures, but after that the penalty must be paid. Depreciation and demoralization of the currency has the same effect on national life that excessive drinking does upon the individual life; first the delusions of the initial stages of intoxication, then the debauch, the delirium and the terrible penalties of the violation of eternal laws.

Commercial prosperity can exist only under permanent and settled conditions, at least so nearly permanent that annual changes are reduced to a minimum. By the consensus of all leading commercial nations, grains of gold give the greatest permanency as a standard of value; and while silver is to be used with gold, yet it can be used successfully only under conditions that make the silver dollar equal in value to the gold dollar and maintained at equality with it.

Nothing promotes distrust, paralyzes trade, discourages investments, closes avenues of employment, and diminishes wages so effectually as a demoralized and depreciating currency.

Mr. Jones. You are right. And hence nothing is clearer than that it is the duty of every good citizen to resist the attempt to have this country adopt alone the free and unlimited coinage of silver at the ratio of 16 to 1, for this means silver monometallism, a silver hasts a depreciated currency, a brief period of intovication. at the ratio of 16 to 1, for this means silver monometallism, a silver basis, a depreciated currency, a brief period of intoxication, and then demoralization, business and industrial paralysis, a financial panic, and destruction.

Let the light of experience, shining in the tower of history and warning the present generation of the dangers of the yawning abyss into which a depreciated currency has repeatedly plunged nations, guide the destinies of the Republic.

Mr. Burns. I would like to ask you, Mr. Smith, if you have any information as to the general condition of agricultural and other laborers in any of these countries which are on a silver basis—Mexico, for instance?

Mexico, for instance?

Mr. Smith. I have here a very interesting document which is called Consular Report No. 67, and published by the Department of State at Washington. In that I find a report by Consul-General Sutton which gives a carefully prepared statement, covering more than 45 pages, by Mexican officials from 21 of the 27 States which compose the Mexican Republic. These replies were made in answer to a circular letter by the consul-general asking information as to...

tion as to—

1. Wages of agricultural laborers,

2. Conditions under which contracts for agricultural labor are

Supply of laborers.
 Principal agricultural products, production, and prices.
 Retail prices of principal articles of consumption, as meat,

6. Prices of neat cattle, horse stock, sheep, and hogs.
7. Private lands for sale, and prices.
8. Possible industries that might be established.
Fifty-five different officials, all of them evidently intelligent and careful students, answered these questions at full length and the continuous of them:

with great frankness. Here are extracts from some of them: In the State of Aguas Calientes field laborers receive for a day's

with great frankness. Here are extracts from some of them:
In the State of Aguas Calientes field laborers receive for a day's work 12½ cents and 2 quarts of shelled corn. Prices of articles of prime necessity are: Corn, 40 cents to 80 cents per bushel; frijol (the bean of the country and the principal food), \$1.60 to \$3.20 per bushel. What little beef they have sells for 16 cents, mutton for 15 cents, hog meat for 14 cents per pound.

In the State of Chiapas day laborers get 25 cents per day, with an almud (short peck) of shelled corn, the same of beans, and a ration of salt once a week. Laborers by the month get \$5 per month and the privilege of building a house and having a small bit of a garden on the hacienda; 14 ounces of beef, 10 ounces of pork, 5 cars of corn, 1 pound of beans, 8 ounces of rice, and 10 ounces of lard, sell at 26 cents each.

In the State of Coahuila, which borders upon Texas and produces a considerable quantity of cotton, the wages are 37½ cents per day, paid in grain or goods, with no money and no allowances. In cotton-picking time, most of them work by the tarea or quantity, and make from 50 cents to 65 cents per day. Meat sells at 12½ cents a pound, shelled corn at 5 cents, and beans at 8 cents per quart, while flour is 8 cents and lard 31 cents per pound.

In Durango the agricultural laborers get from \$4\$ to \$6\$ per month, with the weekly ration of 13 quarts of shelled corn.

In Guanajuato the wages are from 18 cents to 19 cents a day, and this only for the days when the man is employed.

In Hidaigo 18 to 23 cents per day, with an allowance of corn. Flour sells at 6 cents, meat at 10 cents, lard at 30 cents, and Mexican brown sugar (piloncillo) at 6 cents per pound.

In Jalisco, the monthly wages are \$5, with 38 quarts of corn, 4 quarts of beans, and 3 ounces of salt every eight days. Day laborers get from 12½ to 18½ cents, with 18 quarts of corn per week. Meat sells at 10 cents, bread at 12 cents, sugar at 15 cents, and salt at 4 cents per pound.

salt at 4 cents per pound.

In the Federal district, where the City of Mexico is located, agricultural laborers get by the day 81 cents and no allowances, and

the work is from 6 a. m. to 6 p. m., with one hour in the middle of the day.

In Michocan, over on the Pacific Slope, and which produces sugar, wheat, corn, beans, fruit, and many other tropical crops, labor is 25 cents a day, by the day, and the hours from 6 a. m. to 6 p. m. Meat sells at 12 to 18 cents and lard at 25 cents per pound;

6 p. m. Meat sells at 12 to 18 cents and lard at 25 cents per pound; beans 18 cents and corn at 6 cents per quart.

In Nuevo Leon, in which is the great city of Monterey, wages are \$4 to \$8 per month, with an almud of corn every eight days.

Oaxaca, a Pacific coast State, produces coffee, cocoa, sugar, to-bacco, corn, beans, and fruit. Wages are 25 cents a day, except in coffee harvest, when they are increased from 50 to 100 per cent.

Monthly contracts are from \$4 to \$7, with an allowance of corn for bread. for bread.

This shows pretty clearly how low are wages and how high are all the necessaries of life in Mexico. There are some other things in this report which ought to be studied. Practically one-half of all the necessaries of life in Mexico. There are some other things in this report which ought to be studied. Practically one-half of all the agricultural laborers of Mexico, in spite of laws to the contrary and in spite of a general public sentiment against it, are slaves to the glebe. In other words, they all owe their masters a sum of money for trade at the store, advances for funeral expenses, baptisms, sicknesses, etc., ranging from \$50 to \$500. In Holy Week they may take a paper from their master showing how much they owe him, and if within those eight days they can get any other master to agree to pay that debt they may transfer their allegiance from the old to the new master. Unless they do this—that is, if they attempt to go off one man's property without settling up—they are very likely to be arrested on any one of a long list of minor charges—obtaining money under false pretenses, stealing, getting drunk, disturbing the peace, etc.—and be held practically a prisoner until they get tired and consent to return to work on the old terms. The local judges are always the great landed proprietors or their retainers, and justice in the district is modified to suit their own views. The head of the family works from youth to old age and dies usually owing more when he goes out of the world than when he assumed man's estate in it. Often a son or sons will assume the debt of a father and go on, generation after generation, in this manner. As they get very little money for their work and everything they have to buy is very expensive, their purchasing power is very limited. It is estimated that the average annual expenses by cash purchases—clothing, food, etc.—of the ordinary agricultural laborer and his whole family does not reach the total of \$70 per annum.

The clothing of the man consists of a pair of sandals, a pair of cotton drawers rolled above the knees most of the year, a cotton shirt, which is usually hung carefully on the bushes during the

cotton drawers rolled above the knees most of the year, a cotton shirt, which is usually hung carefully on the bushes during the day, and an immense sombrero. That of the woman is usually a chemise and a skirt. Some of them have shoes and stockinga for everyday wear, but most of them wear sandals or nature's covering, while their attire is completed with a small black shawl. Only a few of the more ambitious have ventured upon that Only a few of the more ambitious have ventured upon that modern innovation—a hat. Bonnets are unknown among them. The children wear the same raiment they brought with them into the world until they get to be from 4 to 7 years of age, when they increase their toilet by one garment.

That is the class of labor, the methods and manner of life of our next-door neighbor, which has to-day and always has had the free and unlimited coinage of silver.

Any person who wishes to make a more detailed study of this subject should write to the Department of State and get a full cony of this very interesting report.

copy of this very interesting report.

subject should write to the Department of State and get a full copy of this very interesting report.

ANOTHER POINT OF VIEW.

Mr. JONES. Now, we as neighbors have talked this matter over pretty thoroughly. Last night I received a letter from a friend of mine in the Northwest, and with that letter he has, sent me some figures and facts which I think will be of interest to us all. My friend is a hard-headed farmer. He is conservative and still enterprising; is a good farmer, and last year bought 80 acres more land (running in debt, of course, for a portion of the purchase money), and is pushing along as well as he can in these hard times. His farm is near a town, which was growing rapidly in 1890, 1891, and 1892. They had put up a woolen mill and a paper mill, besides several other manufacturing plants, and as usual in these Western towns, they had borrowed money for all of these enterprises, and had pledged the future with bonds to enable them to open new streets, build sidewalks, put in water, gas, electric lights, and a line of street cars. From a sleepy country village it had grown under the inspiration of the tariff law of 1890 into a brisk town, affording a large market for all the farm products in that vicinity. The Wilson-Gorman bill struck them below the belt; the mills have shut down, and they are in bad shape. This situation of affairs has caused him to study the situation from his point of view, and if you neighbors are sufficiently interested to desire to hear these, we might meet some other evening at the schoolhouse, and invite the other people of the community, and see what he has to say.

Mr. Burns. That will be a capital idea. This is a big country; we are all interested in this subject, for what helps one portion helps all, and the same causes work out identical effects in every portion of this great country.

Mr. Smith. Yes, we are all vitally interested in getting at the plain facts of this business, and we can't give it too much study or deliberation. What we want to arrive at is the truth—the plain

deliberation. What we want to arrive at is the truth—the plain truth and the whole of the truth.

Mr. Vance. Well, I have read Coin and a whole lot of literature published by the Mine Owners' Association, and have got some radical ideas, yet I too desire to get at the facts. I have changed my views considerably during the three evenings we have been together, and I must say that while I am not prepared to abandon my original views, I have modified them considerably and become more anxious to keep at this thing until I get down to bed rock. to bed rock.

With this understanding they adjourned until the next Satur-

day evening.

FROM THE STANDPOINT OF A NORTHWESTERN PARMER

They were all assembled in the schoolhouse on the Saturday evening appointed, and so lively an interest had all their neighbors in the question to be discussed that the house was packed full.

Among the audience was a fair sprinkling of ladies, some of

whom thought they ought to vote as well as the men, and all of them were interested in hearing what some persons in another por-tion of this country thought about the present condition of affairs.

MR. BROWN'S LETTER.

"My DEAR JONES: You know I was born down East, but that as a young man I struck out for the West, and have put in twenty years of hard work. I have 80 acres of land, 1 mile from town, all paid for. I have good buildings, teams, tools, and supplies on hand to run me through a year. Last year I bought 80 acres, which joins mine on the south, for \$30 an acre. I only had \$400 to pay down; leaving \$2,000 on which I had to pay 6 per cent interest for three years. I don't suppose I can raise the \$2,000 at the end of that time, but I hope—if I have my health and good luck—to reduce it to \$1,000, and make a new loan for the balance, clearing that off in two years. I could have done this easily as things were a few years ago, but now, with the load of a two-thousand-dollar debt hanging over me, I shall have to plan carefully to come all right. Some of my neighbors are talking very strongly in favor of the free coinage of silver at 16 to 1, thinking that would be the companion of the control of the cont make a great change in the condition of affairs. My opinion is, however, that it is not so much a question of free silver as it is of business confidence and a protective tariff. For instance, when I borrowed the \$2,000 to buy that 80, the real-estate agent who ne-gotiated the loan for me said that the laws of our State were so full and ample in securing such loans that money was freely offered him from the East for loaning at very low interest."

MR. BROWN'S STATEMENT.

Inclosed with his letter, Mr. Brown sent a paper which he had prepared, which Jones read at length. It excited so much interest and touched upon topics which were so important that it is given in full.

Mr. Jones, after clearing his throat, said: This seems at first to be a conversation between Mr. Richard Poor and Mr. Peter Sail. The succeeding chapters describe Mr. Poor's discussions with several eminent persons, and the effect of such discussions on the

Mr. Poor seems to be an independent, fairly educated, level-headed laboring man, who has carefully saved some of his earn-ings, got himself a house and lot, and has several thousand dollars ings, got himself a house and lot, and has several thousand dollars invested. The hard times have hurt him, but they have not brought him to utter want. Mr. Peter Sail is also a hard-working man, but never got so good wages as Poor. His wife had been sick a good deal, and other troubles had hindered his getting ahead so much in the world. In December, 1892, he had his little house and lot paid for and fairly furnished, and \$300 in the bank. At the date of this statement his money had long since been come, he had got in debt for living expresses and had transped for bank. At the date of this statement his money had long since been gone, he had got in debt for living expenses, and had tramped for work month after month, and only a few weeks before had been obliged to sell their little home to pay their debts, and with a small quantity had moved to a little rented house on the outskirts of the town. He now had absolutely no resources, and had it not been for Mr. Poor, who kindly risked loaning him money—to be repaid if he should ever get work—he and his family would have suffered for the necessaries of life.

THE INDEX OF PROSPERITY.

"The men who depend upon their daily toil for their daily bread," rinemen who depend upon their daily to it for their daily bread, "said Poor, "constitute the balance wheel in American commerce. There is no better index of the condition of a people than is indicated by the condition of the laboring men, known as wage earners. They are more adversely affected by depressions and stagnated business than any other of our population. Talk about the amount of money in a country indicating prosperity! There

is nothing in that. It is the amount of money that reaches the pocket of the poor that makes a country prosperous. If all the money of the world were dumped upon American soil it would not be beneficial except in so far as it reached the pockets of the poor. It would only be beneficial in so far as it enabled our people to buy more of the necessities and comforts of life. If it should go into the hands of the people who have plenty it would fail to benefit anyone. It would not make a heart happy nor increase the consuming ability of our people. So I say in the broad sense of the term it would not be beneficial."

Poor here took a piece of white paper out of his pocket and with a lead pencil quickly drew two reservoirs, and continuing, said:
"This reservoir represents a healthful condition of business. It shows the money in circulation, going from the capitalist to the farmer and wage earner, and from them to the capitalist again. This represents prosperity. The laborer is prosperous because he has work and is getting his part of the money of the country. The farmer is prosperous because, when money is circulating and the wage earners are all employed at good salaries, he has a larger demand for his products; and with an increased demand goes higher prices.

"Now," continued Poor, "this other drawing represents the country when the money is not circulating properly. Money is the blood of the nation. When the blood fails from any cause to circulate in any member of the human body, that member must

It can not live.

"Well, now," continued Poor, "the same is true of the members of our nation. The farmers and laborers are the main members upon which our nation to-day stands. In this drawing you will observe the money—the blood—is not circulating among the farmers and wage earners as it should. They can not stand that They must soon perish, and with them our nation, unless we can get the circulation revived.

"This money is congested, just as the blood would be in the body if it should cease to circulate in the legs and arms. as much money in the country as ever, but the poor do not get it.
When this condition prevails it is common to hear people say money is scarce, and that there is little money in the country, when they really mean that it is not circulative.

when they really mean that it is not circulating.

"I heard a man say the other day that to increase the amount of

what do you think of that as a means for relief?

"Suppose," said Poor, "all your blood should rush toward your heart and cease to circulate in your limbs. Suppose a doctor would propose to cure you by driving the blood from about the heart and compelling it to circulate throughout the whole system. revivifying every member and particle of the body. Suppose then another doctor would propose to bring relief by injecting into your body more blood. Now, between these two doctors which

would you choose as your physician, under the circumstances?

"The one who would make the blood circulate, of course. I would have no assurance that if I employed the other doctor the blood would circulate after he injected it into my body.

"Before talking about increasing the volume of money let us first force into circulation the money we have.

MUST MAKE MONEY CIRCULATE.

"We must manage some way to compel the money to circulate. What I mean by circulation is passing among the masses. Money piled up in the vaults of the rich is not circulating at all. It is hoarded and is doing no one any good. To increase the amount so hoarded does not put any more in circulation. The problem to be solved is not how to increase the amount of money in the country, but how can we give to labor its just rewards and keep in circulation the money we now have. How can we give to the poor their share of our present volume."

HOME VS. FOREIGN LABOR-A CONVERSATION.

Poor went over one afternoon to see how Pete was getting along. He was pleased to find Mrs. Sail improving rapidly. It being a warm day and there being several in the house Poor and Pete went out and sat down on the grass in the shade of a tree. After they were comfortably seated Pete began the conversation by stating that

comfortably seated Pete began the conversation by stating that his wife would soon be well again, and he would like to find work, and inquired of Poor about the prospects of finding any.

"I don't know," said Poor, "where you can get any work at present; but I hope the mills will start again soon."

"Poor," said Pete, "I have been thinking of this matter of work over since I saw you at the bank. I have also been more impressed with the idea that the people are with us, and would help us if they only knew how to go about it. What has been worrying me is what to do. What do we need? What will give us work? What will bring happiness and prosperity to our land? I am free the confess I see a war.

work? What will bring happiness and prosperity to our land? I am free to confess I see no way out. The future to me is dark."

"It is well," said Poor, "for us to inquire what ails us. We are out of employment. That much we know. How can we get it, and what will be the best for the country are the things to be

considered."

DO ALL OF THE WORK

"Pete," continued Poor, "if you were idle a good part of the year, and there were things you needed, would it be better for you to make them during the time you would be idle, or would it pay you to buy them and do nothing part of your time? If you could make the articles as good as any one else, and you would put in your spare hours making them, would you not be worth more at the end of the year by reason of having saved your money and supplied your wants by your own labor?"

"I most certainly would," replied Pete. "I would be worth just as much more as the articles made would have cost."

"Then," said Poor, "if there are articles the people of this country can produce, and there are idle men to produce them, would it not, on the same principle, be to the interest of our country to have our idle men employed supplying the wants of the people and saving the money that would otherwise be sent abroad? Every dollar's worth of goods made in this country adds that much to our national wealth. It adds the same amount to the wealth of the men who produce them. If we had all our idle men employed, just think what an enormous amount of wealth would be added annually to our country. The amount of money sent abroad, if kept here and paid to our own workmen, would increase the wealth of the country to that extent every year. It would also increase the individual wealth of the men who would do the work. The beauty of that increase, Pete, is that it is among the poor. It increases their wealth, and that is the only way I know to increase the wealth of the poor. If you could increase the value of the property of the nation it would only benefit the property owners, and especially the rich; and the poor work, though, is especially beneficial to them and adds almost exclusively to their wealth. the poor work, though, is especially beneficial to them and adds almost exclusively to their wealth.

CONVICT LABOR.

"Pete, are we out of employment because there is no work?" asked Poor.

"I think so," said Pete.
"Well," said Poor, "let us see if that is correct. There were in 1890 64,349 convict laborers at work in the penitentiaries of the United States manufacturing salable articles. Do you know what that means? The United States Commissioner of Labor, in his second that means? The United States Commissioner of Labor, in his second annual report, in 1886, quotes a report of a commission to the legislature of New Jersey on convict labor. 'Every convict,' says that report, 'who makes any salable article does work that a free laborer might do, and therefore competes with the latter.' If every one of those 64,849 convicts does work that a free American might do they make work for just that many less free workmen. There are now about 70,000 convicts at work. If they were all stopped it would make a demand at once for about that number of free workmen. It does not seem right that one who has committed an offense and been put in the penitentiary should be so worked as to deprive a law-abiding man of his means of livelihood. Shut off the competition of convict labor, and there will be work for about 70,000 more free workmen. That would be benefiwork for about 70,000 more free workmen. That would be benefi-

"Yes," said Pete, "but that would not supply the demand for work at the present time. It would be a good idea, though, to not permit convicts to do any work free labor would get were it not done by the convicts. I most heartily agree with you on convict labor."

THE IMPORTED PAUPER.

"There are tens of thousands of foreign pauper laborers coming to our shores yearly," said Poor. "They seek work in our mills and factories. They take work from that many Americans. Now, Pote, would it be beneficial or detrimental to the American wage earners to have all the work, and stop this constant drain from other countries? If it were stopped, would it make more or less work for our own workmen? If it would make more work it would be beneficial, would it not? If beneficial, why not make an affort to restrict immigration?" effort to restrict immigration?"

"If we could abolish convict labor," said Pete, "and prohibit foreign pauper immigration, it would give quite an impetus to labor. It would cause an increase in wages, and give to at least a million people additional necessities of life."

IMPORTED GOODS.

"Yes; but hold on; I am not through yet," interposed Poor.
"You will agree with me that every dollar's worth of work that can be done by the home workmen should be given to them. The people of the United States require about 6,000,000 wage earners to do their work; that is, make the manufactures, work the mines, build the houses, repair the machinery, and do all the work hired done. There are just about that sympler of ware earners in done. There are just about that number of wage earners in the country. Now, if we let 70,000 convicts do such work, and there are tens of thousands of foreign paupers coming here annu-ally, in a few years there would be hundreds of thousands of American workmen in idleness and their families in want. It must always be remembered that every man has about three

depending upon him for a living. One hundred thousand idle men means 400,000 people living without the necessities of life which our higher civilization demands. However important the questions of convict labor and foreign immigration may be, they fade into insignificance when compared to a more stupendous wrong

which our people are now suffering."

Pete here unconsciously opened his mouth and gazed at Poor as though he were unfolding to him all the wisdom of the universe. Poor noticed how interested Pete had become and was rather amused at the expression on his face. He did not allow that to interrupt him, however, but went on:

"We are employing to supply the demand of the United States."

"We are employing, to supply the demand of the United States, over a million foreigners who never saw the sun rise on American soil, who never saw America, who never pay one cent of tax to support the Government, and who spend their money for Indian and Russian wheat, for South American and Cuban tobacco, and for Australian wool and sheep. We pay them annually for that work more than \$600,000,000."

Pete's mouth opened wider and his eyes seemed larger as Poor

Pete's mouth opened wider and his eyes seemed larger as Poor said this.

"Yes," said Poor, "we bring into this country annually work done by foreigners amounting to about \$600,000,000, and yet there seems to be no concerted action on the part of the labor organizations to check it. The labor organizations will meet and resolute against convict labor, which involves the work of 70,000 men, and will pass unnoticed the importation of foreign labor of more than 1,000,000 men. Every foreigner who makes any salable article for our market which could be made by us takes just that much work from our own wage earners.

"Just think of it! A million foreigners employed by the American people! A million American workmen turned out of employment and their families tasting all the bitter experiences of poverty and the degradation of pauperism and tramping! When

ployment and their families tasting all the bitter experiences of poverty and the degradation of pauperism and tramping! When these poor wretches cry for relief resolutions are passed condemning convict labor and censuring the money power. Now, what we want is something practical. We want to take some concerted action in our own interest, prevent this large importation of foreign labor, make a demand for our work, put a million of idle men at work, and we will have a labor power controlling the affairs of our nation, and that much-discussed 'money power' will be unknown. When there is plenty of work to do we can dictate terms; when millions of us are idle we have to take such terms as are offered."

"Poor," said Pete," I have heard a great many tell how to solve our present difficulties, but never before heard anyone suggest a remedy so practical and at the same time so easily secured."

"There is to be a meeting to-night at the Grand Opera House," said Poor, "for the purpose of considering this very question. I hope you will be present."

After bidding Pete good day Poor went home.

THE LECTURE.

The Grand Opera House was filled when the meeting was called to order at 8 o'clock. Several thousand people were present, anxious to advance, if possible, the cause of the working people. Nothing stirs up greater enthusiasm than a discussion designed for the betterment of humanity in general and the poor in particular. This meeting was not a gathering of partisans to discuss party issues, but was a gathering of citizens, regardless of party, to discuss questions calculated to elevate the masses.

After the proper organization of the meeting the chairman introduced Poor as the speaker, who said:

"Mr. Chairman and fellow-workmen: This is my first attempt to talk in public. I do not claim to be an orator, but shall endeavor to say a few words to the point, and try to stir the working people to greater activity in their own interest.

OUT OF EMPLOYMENT.

"Here we are to-night without employment, hunting work, families in need, children out of school growing up in ignorance, and we are doing without all the luxuries and many of the necessities of life. Some of our fellow-workmen and their families are actually at the point of starvation.

"'No work,' did I hear some one say? Is that the reason we are idle? Is that the reason we are here seeking relief? No, that is not the reason. As I was saying this afternoon to my friend, Pete Sail, who I am pleased to see is present, the American people sent to foreign laborers for work over \$600,000,000 last year. We had during that year over 1,000,000 foreigners working for us. Now I need a suit of clothes. I must have it, too. I can not make it, so I will have to buy it. If I buy a suit made in Europe I deprive the American workmen of just that amount of work and money necessary to produce it on this side of the Atlantic. Yet that is just what we did last year and are doing this. Why do we do it? Why were 1,000,000 foreigners working for

the United States last year? Why did we send them over \$600,-000,000 for work? Why are we doing the same thing at the present time? If all the people of this nation had all the work they could do it would be all right; or if they could not do that kind of work, then there would be nothing wrong in sending out of the country to have it done. Were all of our workingmen employed the whole of the year? Were there no Americans who wanted the work? Were there no idle men in the country? If idle, why idle? It was not because there was no work to do, was it? No that could not be, for at the very time you were idle we it? No, that could not be, for at the very time you were idle we were employing this horde of foreign vandals. Why, then, were we employing them when we needed work so badly ourselves? There is but one answer, and that is incontrovertible; it is because the foreigners worked cheaper than the Americans would. cause the foreigners worked cheaper than the Americans would. There are some Americans who are so unpatriotic, care so little for their fellowmen, worship their money to such an extent they will let our own people suffer and send their money to Europe for the products of labor because it will buy a little more there than here. We must either work as cheaply as the workmen of other countries do, and sell the products of our labor as cheaply as they do, or we must prevent them from selling their labor and its products in our market. I want in this connection to ask its products in our market. I want, in this connection, to ask you wage earners this question: If there were American workmen who were unemployed, and whose families were in need, would it not have been far better to have had them at work and receiving this money that was leaving the country, even though the purchaser would have paid a little more for the products of their labor than he would have had to pay for the products of their moor than the water? Would it not have been just and right to have given them that work at fair wages? [A voice, 'Of course it would!'] My friends, would it not have been to the interest of every wage earner in the country? [A chorus of voices shouted, 'Yes!'] AN ORGANIZATION.

"How many wage earners are there present who will agree to buy nothing made by foreign workmen if it could be made by our own labor? And who will agree to patronize no merchant who buys foreign-made goods that could be made at home? And who will agree to join an organization to prevent the importation of any products of foreign labor to sell in competition with the labor of our own people?"

"We will all agree to that," said a voice.
"I want to see if you will," said Poor. "All of you who are in favor of such an organization please rise to your feet." Every man Every man "You may in the house rose to his feet except Professor W-be seated," said Poor.

"The reason I am so in earnest," continued Poor, "is that public opinion and local custom are not strongly in favor of the rights of the poor workingman. You notice the business and professional men of any town. They do not like for the people of that town to go to some other place to trade or to procure professional services. One of you wage earners go to a neighboring city and buy some goods because they are cheaper than they are at your home town, and hear how your merchant will censure you and how public content will condemn you for not patronizing your home meropinion will condemn you for not patronizing your home mer-chants. Then notice the merchants of your town when they buy a stock of goods. Instead of buying goods made by the workingmen of their own town, or even of the United States, they will buy goods made by workingmen in England. They will permit the American and home wage earners to starve. What, then, will public opinion say of the merchants? Will it censure and condemn them for buying the work of Europeans rather than Americans? No: it will commend them for their enterprise in so doing, and the citizens of the town will even encourage them by buying the foreign-made goods.

"Suppose one of you laborers should go to your town merchant and say, 'Mr. Merchant, we can buy everything a great deal cheaper in a neighboring town than we can from you. It would be to your interest for us to go to that town to trade and not buy anything you have for sale. What would the merchant say to you for presuming him to be such an ignoramus? He would ask you for presuming min to be such an ignoranties. He would asy
ou if you took him to be a lunatic or a fool, and would probably
apply the toe of his shoe to the seat of your pants by way of emphasis. When that merchant or anybody else tells you workingmen how you would be benefited by letting into this country the
products of foreign labor, I know of no better argument for you
to use on such persons than the toe of your shoe applied to the
seats of their pants with neatness and dispatch.

THE ARGUMENT.

"Persons who will maintain such a preposterous proposition must be beyond the reach of reason and argument.

THE REMEDY. "'What are we going to do about it,' did I hear you say?" continued Poor. "I will ask you if you want the work? That is the first thing to be determined. If you do not want it for yourself, do you want it for your fellow-men? If you do, it can be very

easily secured. Let us form this organization I have mentioned, and work for the levying of a duty on all articles which we can manufacture sufficiently to supply the demand. Let us make that duty high enough to prevent the importation of any such products.

Professor W——, the noted orator, politician, and free-trade advocate, here rose and said: "Mr. Speaker, I would like to ask a question.

Go ahead," said Poor.

"In what way," said the Professor, "and on what articles would you levy that duty?"

"I would levy it," said Poor, "upon such articles as can be

made at home, and would let in free those articles we can not

"Why would it not be better," queried W——, "to reverse that, and let in free of duty those things we can make and put the duty on those we can not?"

THE TWO PRINCIPLES.

"Your question," replied Poor, "involves a discussion of the underlying principles of levying duties on imports. I will show you what effect these two modes of levying duties would have upon the country, and will let these workingmen before me decide which mode they prefer. Tea, coffee, and other articles we can not produce you, Professor W——, would levy a duty upon. That would increase their cost to the consumer, to these working-That would increase their cost to the consumer, to these working-men, to the extent of that duty. They would have to pay it if they bought any of those imported goods. That would add to their burdens and increase the price of those necessities of life to the extent of the duty placed upon them. What compensation do you offer, then, for this additional hardship? After you have increased the price of these necessities, what do you do with the products of our labor? Do you make provision so that we may sell the products of our labor at an advance equal to the increased price of those things we have to buy? No, you do the reverse. The things our workingmen can make you let in free. You do this so they can not charge any more for them than the Englishman would sell them for. You say to them, 'We want work done, and unless you will do it as cheaply as the foreigner we will let the foreigner have the contract.' That means a reduction of about half in wages. In other words, you increase the price from about 40 to 60 per cent on all our workmen have to buy, and at the same time decrease the price of what they have to sell about 50 per cent. Then you ask me why the duty should not be levied in that way." [Applause.]

THE RIGHT WAY.

Poor was interrupted by the shuffling of feet and a low talking Poor was interrupted by the shuffling of feet and a low talking near the door. He stopped speaking, and looking in the direction of the noise observed Hon. Grover Fogg pressing forward through the dense crowd toward the speaker. When Fogg got near the speaker, some one, recognizing the important individual, got up and gave him a seat. Order being restored, Poor proceeded: "Here is the way I would levy the duty. You workingmen are entitled to all the work you can do. I would put a duty on such work so high that no foreigner could deprive you of a dollar's worth of it. [Applause.] I would make it so high that English workmen could not regulate your wages. After giving to you all this work I would let in free of duty all articles you had to buy. The trouble with your plan, Professor W——, is that it reduces the income of the wage earners about half, and at the same time doubles their burdens. You take the money from the very class of people who burdens. You take the money from the very class of people who can least afford to lose it, and decrease those incomes which affect most adversely the interest and prosperity of the country. It is like taking blood from the human heart. It is taken from the most vital and dangerous place.

THREE OBJECTIONS.

"Your plan, briefly stated, has three very objectionable features." continued Poor

"First. It would allow hundreds of millions of dollars to be taken directly from our wage earners and paid to the wage earn-

ers of other lands for the products of their labor.

"Second. It would only allow our workmen to charge for the work left for them English prices, which would be about half their present wages.

"Third. After taking hundreds of millions of dollars' worth of work from them and reducing their pay half for the remaining work you would add an increased burden by increasing the prices of the articles they can not produce.'

PROFITS OF CAPITAL.

"Would not your plan enable the manufacturers to make large profits?" interrupted the Professor, feeling greatly encouraged by the appearance of his chief, Grover Fogg.

The profits of manufacturers was one of W——'s hobbies, and

he thought if he could draw Poor out on that line of argument he would be able to get the better of the discussion. Professor W—— is a man of a good deal of conceit anyway, and just required such a man as Poor to let some of it out of him. After

W——took his seat Poor looked at him and said: "Suppose the manufacturers do make profits I have no objection to that. We should not be deprived of our work and our means of support, and our families pauperized because some one else would make a profit out of our employment. We would prefer to have port, and our families pauperized because some one else would make a profit out of our employment. We would prefer to have the American rather than the English capitalists make the profits anyway. Then, the profits of our manufacturers are not as great as their enemies would have people believe. Money is always seeking paying investments. There is plenty of idle capital in the country and plenty of money to loan at 3 and 4 per cent per annum. If there are such large profits in manufacturing, why do not some of these men who make it a rule to condemn all manufacturers put some of their wealth into factories, reduce the price facturers put some of their wealth into factories, reduce the price of goods, and become public benefactors? Why do people loan millions of money at such low rates of interest if there is such a bonanza in manufacturing? Profits are no higher in this country than in England, and no higher in protected than in unprotected

than in England, and no higher in protected than in unprotected industries."

The Professor's face turned red and he appeared to be restless. Poor, looking at W———, continued: "Professor, reason is against your position. Some people, though, will not take reason for anything, so I will give you some authority. The first witness I will call to answer your question will be the Hon. William E. Gladstone, of England. In the North American Review for January, 1890, he said: 'No adversary will, I think, venture upon answering this by saying that the profits are larger in protected than in unprotected industries; first, because the best opinions seem to testify that in your protected trades profits are hard pressed by wages—a state of things very likely to occur, because protection, resting on artificial stimulants, tends to disturb and banish all natural adjustment.' Mr. Gladstone further says: 'As result of increased wages in the United States your shipbuilders do a small trade with a large capital instead of doing, as before, a large trade with a relatively small capital.' You will notice Mr. Gladstone admits that wages in protected industries are up pretty well to the selling price of the manufactured article, and leave little to the selling price of the manufactured article, and leave little to the manufacturer for profits. He argues against a high duty because it increases wages, and a person can not do as much business—that is, buy as much work with a given amount of money—as he could formerly under a low duty. In other words, muscle, bone, blood, and manhood have increased in price until it requires as he could formerly under a low duty. In other words, muscle, bone, blood, and manhood have increased in price until it requires a large amount of money to do a small business. This he com-

"Another witness I desire to call is the statistics of the United States, which show that 73 cotton manufactories in the States of Maine, New York, and Massachusetts have been paying dividends Ataine, New York, and Massachusetts have been paying dividends of not to exceed 3.69 per cent per annum on the amount actually invested. The factories in other lines have made no greater profits. In fact, there are perhaps 50,000 idle factories in the United States to-day. Is it to be supposed that these factories would be idle if they could be making profits? These thousands of silent factories tell a story about profits which needs no comment." ment."

ENGLISH AND AMERICAN WAGES

"I maintain," said Professor W--, "that wages are not higher in the United States than in England. It may be that our workingmen make more money during the year than the English do, but it is because they work faster and are paid by the piece. The Englishmen get as much per piece as the Americans do, do

The Englishmen get as much per piece as the Americans do, do they not, Mr. Speaker?"

"This," said Poor, "is the stock argument of persons maintaining your side of this question. I want to show you the falsity of it, so you will never repeat it. It is one of the most ingenious arguments you produce; yet it is no argument. It is simply an assertion. Can the American blacksmith or carpenter do more work than the Englishmen following either of these trades? The English carpenter gets \$7.50 per week, the American \$15. Can the American engineer, who gets \$21 per week, run his engine faster than the Englishman, who gets \$10? Can the American laborer, who gets \$8 per week, do more work than the Englishman, who gets \$4.10? These prices show the relative amount paid for wages in these two countries. The difference indicated in the wages mentioned is maintained through all occupations.

THE SENATE REPOUT.

"Perhaps the highest authority in the world on this question," continued Poor, "is the report of a committee of the United States Senate. That committee was composed of persons entertained different views on the question, and had to assist it some of the ablest statisticians in the world. After a thorough investigation the committee came to the unanimous conclusion that wages in the United States are 77 per cent higher than in England. That the United States are 77 per cent higher than in England. That is higher authority than your assertion, Mr. W——."

W—— dropped his head and seemed to be in deep meditation.

Poor continued: "But you may not be satisfied yet, Professor, so I will show you conclusively that wages are higher here than

IMPORTED WAGES

"We import yearly," said Poor, "several hundred million dollars' worth of foreign work, pay the cost of transporting it from Europe to America, pay from 40 to 60 per cent duty, and yet get it as cheaply as the American workmen will sell their products. Now, if labor is not cheaper in England, how do they pay all this cost to get into our market and still undersell our products?

cost to get into our market and still undersell our products?

"It seems to me," continued Poor, "that I have presented sufficient argument to convince anyone that our wages are higher than the English wages. I desire, though, to put Mr. Gladstone after you again, Professor. He says, 'The American rate of wages is higher than ours, I concede.' Can you, in the face of all this authority, have any doubt which country has the higher rate of wages? I put all this proof against your bare assertion."

Professor W—— did not look up, but continued to gaze on the floor and seemed to long for a hole through which he could drop out of Poor's sight.

drop out of Poor's sight.

Fogg—the impulsive, self-important, and petulant Fogg—rose to his feet and attempted to assist his bosom friend W—— out of the difficulty he had gotten himself into. Fogg is a lawyer by profession and belongs to that class known as "bulldozers." As long as everything goes Fogg's way he is all right, but is very easy to become discouraged and is likely to leave his friends or clients in the thickest of the battle. He is not much on the fight himself; he prefers a substitute. He never loses an opportunity, though, to inflict his own opinion upon those present. This probably accounts for his great reputation of being such a shrewd man. When Fogg rose perfect silence prevailed throughout the hall. Poor's friends wondered if he could hold his own with Fogg. After standing a few seconds and looking around over the audience, to make sure they all saw him, Fogg said: "May I answer a question you asked a while ago?" Fogg—the impulsive, self-important, and petulant Fogg—rose to

ence, to make sure they all saw him, Fogg said: "May I answer a question you asked a while ago?"

"You have my permission," said Poor.

"You asked this question," said Fogg, "'If we levy a duty upon imported articles we can not produce, and thereby increase the price of them, in what way would we compensate the laboring man for this great burden?' That question was not answered by anyone, and I desire to answer it now. Our workingmen would be fully compensated by giving them all the American products for about half the present prices. That is all the compensation any reasonable man should ask." Fogg looked around at the crowd, walled his eyes up, run his fingers through his long bushy hair, and sat down. bushy hair, and sat down.

Jim Giles, who sat near him, became so amused at Fogg's actions that he laughed right out.

"That is your answer, is it?" said Poor, smiling.
"Yes, sir," responded Fogg.

A BOON OFFERED.

"That," continued Poor, "is great encouragement. It is indeed a great boon to offer these men the products of their own labor for half the present prices. You, Mr. Fogg, do not understand what these plain workingmen want. They do not want to be pauperized, nor do they want to give the products of their labor away, nor do they want the price of them decreased one-half, or any other amount. You offer them the same thing Professor W —— did. That is, increase the price of the necessities of life they have to buy and decrease the price of what they have for sale. I guess, Mr. Fogg, your plan is not acceptable to them." [Cries of "No!" "No!"]

Fogg's sensitive, impulsive nature could not very well stand such an outburst of disapproval. He took it as a personal insult to his royal highness, and, taking his hat in his hand, started toward the door. The crowd, though, was so dense he could not get out, so he sat down again.

THEY AGREE ONCE.

"Mr. Poor," said W——, who now felt still more encouraged since Fogg had entered the arena to assist him, "I am opposed to letting foreign paupers or any other foreign workmen come to this country. I am a friend to these working people, and, as I view it, to prohibit foreign immigration is the only way we can give them immediate relief."

"Now," said Poor, "I am real glad you go so far in my direction. But why do you favor keeping out foreign paupers?"

"So as to give the work to our own people, "replied Mr. W——, in a somewhat more confident tone.

"A good idea," said Poor. "Now, W——, if a foreigner comes here and works, is he or his labor detrimental to our wage earners?"

"It is his labor, of course," replied W——.
"Then, if they come here," said Poor, "and do not work they will not throw anyone out of employment, will they?"
"No," said the Professor, hesitatingly.
"Suppose again, Mr. W——,"continued Poor, "that the products of foreign labor be sold in our market. Before you could

my whether that labor was detrimental to our wage earners you ould have to investigate and learn where the work was done. Great laughter and applause.] If you should find that the foreigners did the work in New York or Chicago it would be a national calamity, but if they worked in England and sent their
labor over here in the form of finished products it would be a
national blessing. As for my part, Mr. W——, I think the foreigner who works and sells the products of his labor in our market brings as much destitution to our people when he works in London as when he works in New York, and as much when he works don as when he works in New York, and as much when he works in Paris as when he works in Chicago. It makes no difference where the man is, it is the products of his labor we are opposed to having in our country; and it is the products of his labor we desire to keep out. See the fallacy of your position! If a million foreign workmen were on their way to America, you will concede that if landed they would take work from that many of our own people, and spread destitution and financial ruin throughout our land. That same number of men are at work over the country of the co land. That same number of men are at work every day across the ocean and selling the products of their labor in our market. You pay no attention to that. You are unconcerned about a million foreigners working for us in other lands, and then express great

mxiety about the few thousand who come over here.

"But why, I say, are you in favor of keeping out pauper laborers? If we should import, say, 3,000,000 paupers from European nations who would work for less than half the wages our workmen get, it would make everything cheaper, would it not? That is what you say would be a blessing to the country—cheaper goods. If cheaper goods are so desirable, why not offer an inducement for foreigners to come over here and work? It would be just as detrimental to our working people to have manufactures cheapened by importing foreign goods as it would to import the foreigners and let them make the goods here."

saw that Poor had shown his inconsistent position in advocating restricted immigration, and at the same time letting in unrestricted the labor of foreign workmen. He was very anxious to change the subject.

THE MANUFACTURERS IMPORT PAUPERS

"Mr. Poor," said W——, rising to his feet and appearing more nervous than before, "do you not know it to be a fact that these manufacturers you are upholding import English laborers to displace our own workmen in their mills and factories?" -, rising to his feet and appearing more

"Do you know it?" asked Poor.
"Yes, sir, I do," said Professor W

"Yes, sir, I do," said Professor W——, emphatically, and at the same time striking the table with his fist.

"Mr. W——," said Poor, "you have now admitted what you awhile ago denied." W—— here dropped his head again as if leaking to the floor for some invitation.

looking to the floor for some inspiration.

Poor went right on: "You said labor is no cheaper in England than in the United States. You now say these manufacturers import English laborers. That admits that they can get English laborers cheaper, or they would not import them. It also admits that they are not only cheaper per day but cheaper per piece, or else why would the manufacturers want them? Your intimation that I am working in the interest of the manufacturers is not well founded. It is, in fact, not true, except in so far as our interests are identical. The organization I suggest is to prevent these manufacturers from importing cheap laborers and to keep these manufacturers from importing cheap laborers and to keep such persons as you from importing the products of cheap labor. I am working for the elevation of the workingmen and for bettering their condition. The fact that my plan would benefit others than wage earners is all the stronger argument in its favor. I have nothing but contempt for these little fellows who go around condemning prosperity, thrift, and the powers of acquisition. I like to see everyone prospering. The fact that some are becoming rich is an encouragement for others to try. Abraham Lincoln, in 1864, said: "That some may be rich shows that others may be round rich, and hence is just encouragement to industry and entergone rich, and hence is just encouragement to industry and entergone." come rich, and hence is just encouragement to industry and enter-prise. Let him not who is houseless pull down the house of another, but let him labor diligently and build one for himself, thus by example assuring that his own shall be safe from vio-lence when built."

Poor here stated that he would now proceed to organize a club for the protection of the working people. The object of the club was briefly stated in the paper which he asked them to sign. It was as follows:

We, the undersigned, agree to work for the interest of Amer-

ican labor and American industries in the following ways:
"First. We will buy no goods made in foreign lands if they could be made in America.

"Second. We will patronize no merchant who handles foreignmade goods that could be made by our own people.

"Third. We will vote for no man for office who is not in favor
of preventing panper immigration, and who is not in favor of
prohibiting the importation of all products of foreign labor which

vould compete with the products of American labor."

After Poor read this to the audience he asked all who were in

favor of organizing a club on these principles to come forward and sign the paper, thereby enrolling themselves as members. The crowd rushed forward to sign the paper and shake Poor's hand. Every person present except W—— and Fogg signed the paper. The meeting then adjourned. All who heard the lecture pronounced it one of the most practical talks they ever listened to.

When Jones stopped reading there was a very marked sensation

among his anditors.

As he sat down Vance rose to his feet and said: "Friends and neighbors, I came here to night to learn things, not to listen, and while listening, keep thinking up things to answer with. Mr. Jones has thrown a vivid light on some things which I never saw plainly before. He has not got quite through with the statement. I notice there are a few more pages, and if you people will not mind I will read them to you myself."

Old Squire Brown rose and said: "I am glad to hear such frank

remarks from neighbor Vance. Sometimes those who hold different ideas will not listen to reason or be convinced. He shows an earnest desire to get at the underlying basic principles. If all our friends will be equally frank and sincere, this campaign will settle for once and all for this generation what we need to have done. Go ahead, Mr. Vance."

UNITED ACTION NEEDED.

This is what Vance read:

Poor. Each individual interest would be injured if not ruined by free trade. And you go over the country advising the people to strike down each other's industry. You advise the stockmen to destroy the fruit business, the tobacco raisers to destroy the stock business, and the stockmen to destroy the tobacco industry. You go to the agriculturists, as a class, and advise them to destroy the manufacturing industries and reduce the wages of the laboring men. You then go to the nonproducers, the capitalists and moneyed men, the manufacturers and wage earners, and explain to them how much cheaper they could get their food products by removing the duty and letting them in free. You incite the farmremoving the duty and letting them in free. You incite the farmers against the wage earners and try to get one to strike down the income and profits of the other. You are always trying to pick a quarrel, and are continually stirring up strife among the various industries of the country. Then you go around to each one sepindustries of the country. Then you go around to each one separately and pretend to be his friend, and want him to help you tear down everybody else. 'Oh, ye backbiter!' Why do you not be magnanimous and respect the efforts and enterprise of the toiling millions? Why do you not say to the people engaged in each industry that they must do nothing to lessen the profits of their fellow-workmen in other industries? Upon the success of others depends your success. It is only by the producers standing to-gether as a body that they can hold their own against the greed and avarice of the times.

"The man who will advise one part of the producers to work against another part is not only an enemy to the producing element of our country but an enemy to the moral, intellectual, and financial advancement which should characterize this people.

WHEN WAGE EARNERS CAN BUY.

"The wage earners, with their families," continued Poor, "constitute about one-third of our population. They consume about one-third of the farm products. Now, if you reduce their income one-half they would only have half as much money to spend for farm produce. They must then do one of two things; they must buy farm produce cheaper, or they must buy only half as much as heretofore. They can not well live on half as much as they have been accustomed to, but would be compelled to do so unless they could buy it cheaper. Should the farmers refuse reduce the price of their produce, it would entail hardships and suffering upon the wage earners and their families, which I am sure you do not want to see. The wage earners consume about one-half what the farmers sell. If their incomes are decreased to such an extent that they can buy only half as much farm produce as formerly the farmers would have a large surplus of such products left on their hands. What would the farmers do with that surplus? The wealthy class buy all they need at present, and would buy no more if the farmers had ever so large a surplus. The foreign markets are fully supplied and they could find no market there. Then, on the other hand, if you should sell the wage earners your farm products 50 per cent cheaper than you have been selling them, you would have to sell the wealthy class their part at the same price. Every reduction in wages, you see, must be followed by a corresponding reduction in the price of farm produce.

"Let me illustrate to you how that works. Suppose A, B, and C to be a manufacturer, stockman, and farmer, respectively. B has 10,000 sheep from which he gets 50,000 pounds of wool which he sells A at 20 cents per pound, or \$10,000 for all. The increase of the flock we will suppose is worth \$20,000 annually, making his total annual income \$30,000. Then, to feed his flock will require 10 bushels of corn per head, or 100,000 bushels annually.

C has 2,500 acres of land from which he raises 100,000 bushels of corn. He sells this to B at 20 cents a bushel, or \$25,000. C emcorn. He sells this to B at 20 cents a bushel, or \$25,000. C employs 65 laborers on his farm, paying them annually \$350 each, or \$22,850 to all. Now, we will suppose the manufacturer can buy Australian wool at 10 cents per pound. B must sell his at that price. Then, instead of getting \$10,000 for his wool he will only get \$5,000. Since wool has depreciated 50 per cent sheep must have depreciated the same. B's income will be reduced to \$15,000 instead of \$30,000, and he can therefore pay only half as much for corn. The farmer can only get 12½ cents for corn, which would make his annual income \$12,500 instead of \$25,000. The farmer could not afford to pay the laborers more than half as much as formerly, so their income would be reduced from \$22,850 to \$11,425. Whenever you reduce the income of any class of people the blight is carried to all business enterprises, and they all share equally in the loss. equally in the loss.

WHAT ARE RAW MATERIALS?

"Raw materials," said Poor, "is an indefinite expression. There is very little raw material, in one sense of the term. In fact, nothis very little raw material, in one sense of the term. In fact, nothing is absolutely raw material except the mineral and ore lying in the ground untouched and those things which have not been enhanced in value by labor. Cotton is the finished product of the farm and the raw material of the manufacturer. Cloth is the finished product of the factory and the raw material of the tailor shops. As the term is generally used, I think I understand your meaning. I believe it is generally understood to include all products in the condition to be taken to the factory for fabrication or completion into a useful commodity. With that understanding of the meaning of raw materials, I will say that to admit them free would have the same effect as admitting all articles free. You have heard it said that free raw materials were brought in from have heard it said that free raw materials would give more work to our workingmen. If the raw materials were brought in from other countries, the labor of producing them, at least, would be taken from our laborers. Our manufacturers in 1890 used over \$5,000,000,000 worth of materials. The factories turned out over \$9,000,000 worth of finished products. Over half of the cost of our manufactures, then, is for raw materials. These raw materials represent labor, and our workingmen get more for the raw materials than they do for making those materials into the finished products. It requires more men to produce them, to than it does to make the materials and make the manufactured article. To take the production of raw materials from our people would work a greater injury to labor and affect adversely more people than it would to take from them the fabrication of those materials into the finished articles. The men who are at work people than it would to take from them the fabrication of those materials into the finished articles. The men who are at work producing them are just as deserving of protection as any other part of the people. If you throw out of employment the millions engaged in producing raw materials, they will seek the factories for employment, which will bring about a deficiency of work and a surplus of workers. This would reduce all wages. You can not throw out of employment a large body of wage earners nor reduce their wages without affecting all wage earners adversely. Wages seek a level as naturally as water. You had just as well try to lower the water in one-half of Lake Michigan without lowering it in the other half as to try to lower the wages of one-half of the wage earners without lowering the wages of all, or to try to lessen the income of a large part of the producers without lessening the income of all producers correspondingly.

CUT THINGS IN TWO.

"If you can succeed in persuading the farmers to cut wages in two you can then very easily persuade the wage earners to cut the price of farm products in two. The free trader would stand back and witness such a slaughter no doubt with a feeling of gratifi-cation and pleasure.

"Then, again, what would be gained by free raw materials? After paying the money for producing them to peoples of other countries what would we gain and what compensation could we offer to the wage earners of our own country? It is claimed that free raw material would enable us to sell our manufactures in other countries. How it would help us in that direction is one of the unsolved s. It is one of the absurdities peculiar to a free-trade dis-Suppose, for instance, that we let raw materials in free and our manufacturers can buy them as cheap as the English manufacturer can. Our manufacturer buys some raw material. An Engturer can. Our manufacturer buys some raw material. An English manufacturer buys the same amount. Each buys in the open markets of the world and pays exactly the same price. The Englishman makes of his material a certain kind of manufactures and pays for labor, say, \$100,000. The American manufacturer makes exactly the same kind of commodities the Englishman made and pays for labor \$177,000. Now, the American commodities have cost \$77,000 more than the English commodities. The question that has always puzzled me is how the American manufacturer can send his goods to England or anywhere in the markets of the world and undersell the English manufacturer whose articles cost so much less for labor. This, I say, is one of the unsolved

mysteries. There is only one way for our manufacturers to go mysteries. There is only one way for our manufacturers to go into the markets of the world and sell their wares and merchandise. That is for them to pay less for labor than the manfacturers of the rest of the world pay. If you workingmen are anxious for your labor to sell in competition with other labor, reduce your wages about 60 per cent and try the experiment awhile to see if you like it. If you do not like it, increase your wages and sell your labor in the American market, and have a law to prevent foreign laborers from underselling you at your own home. See that your own wages are not reduced, and then see that all other laborers are employed at good wages. Then there would be relaborers are employed at good wages. Then there would be no one to take your place. See that all producers are making profits, then observe the dollars now going abroad turning into the pocksee the quick, elastic step of our people supplanting the drowsiness and laggard movements of the present! See all the men at work, business revived as never before, money carrying its loads of blessings into every home in the land, making happy hearts and cheerful faces, and showing its favor to the poor and needy instead of the rich and conject! stead of the rich and opulent!

QUESTIONS AND ANSWERS

- "Previous to 1873 we had the free and unlimited coinage of gold and silver at the ratio of 16 to 1, did we not?
- "In that last year, 1878, silver was worth 2 cents more on the dollar than gold?"
- "That is what it was."
 "Why did not the free coinage of the two metals hold them at a parity then if it would now?"
- "Are not Mexico, Russia, and Japan free-silver countries?"
- "Is not the gold dollar in Mexico worth twice as much as the silver dollar, and is not the gold ruble of Russia worth 77 cents and the silver ruble worth 37 cents; and the gold yen in Japan worth 99.7 cents, while a silver yen is worth only 50 cents?"
- "Those are facts."
 "Then why is it that in no free-silver country on the face of the globe do they keep their gold and silver money of the same value, but leave it so speculators can manipulate it at pleasure and feast upon the people like vultures?"
 "Give it up as a bad problem."

SILVER AND WAGES IN MEXICO.

Poor picked up the Bulletin of the Bureau of American Repub-

lics No. 9, 1891, and read as follows:

"One of the greatest evils (referring to Mexico) at the present time is the existence of a scale of wages which defies all power of reduction, which robs the laborers of all the sense of dignity or feeling of association with the rest of their fellow-citizens, and,

feeling of association with the rest of their fellow-citizens, and, having reduced them to a condition of abject abasement, deteriorates to like extent their productive power and the measure of their ability. They are content to regard themselves as a plant, or machinery which moves by extraneous aid only, and has no power of volition, and no desire to exercise it if it had. This is the condition prevailing in silver countries. It has, under the guise of increased wages, been gradually sapping the very energy and manhood out of the poor. Wages have been forced up 20 per cent in the number of dollars received, but in the actual purchasing power they have decreased 40 per cent. The laborer would each day take less of the necessities of life to his little fireside, and the condition of his family gradually became more wretched. Every pay day the dollar received was not quite as valuable as at the previous. The money sharks smiled at the way they were stealing from the families of the poor. They paid their workmen as many or more dollars; therefore the laborer should be thankful for the money received."

"Suppose I should hire you to work for me," continued Poor.

"I agree to pay you so much per month. I want to make a large profit out of your labor. I get the Government to assist me in my scheme. The Government puts metal of less value in the dollar each month and cheapens the money. I pay you in the cheapened money the same number of dollars I agreed to. You accept it and are satisfied, because it is the number of dollars you agreed to take. You wonder, though, why your wages do not buy any more. The trouble is I have been robbing you through the guise of law and have been assisted in my nefarious scheme by the Government under which you live and for which you would fight and, if necessary, give your life. That country is robbing you by forcing upon you a depreciated money. Would our great Government be a party to such infamy?

"No," continued Poor, "our great Government would do nothing of the kind. It is founde having reduced them to a condition of abject abasement, deterior-

"continued Poor, "our great Government would do nothing of the kind. It is founded upon justice and right and seeks to protect the weak from the strong. It says to the rich and wealthy: 'I will regulate the value of the money, and I will see that every dollar is just as valuable as every other dollar; and you shall not, under the guise of philanthropy, rob the poor and reduce their wages without their knowing it. You shall not pretend to be giving them more when the amount you are giving them is in fact

worthless.'"
Vance's reading of Poor's remarks had occupied nearly half an hour, and at its close he seated himself with the air of one who has given his neighbors a deal of valuable information. opinion was shared by the audience was evidenced by the hearty vote of thanks which was extended to him, to Mr. Jones for bring-ing the paper, and to their far-away fellow-workman and producer, whose words had come to them that night with the conviction which plain, substantial facts, told in a matter-of-fact way, always bring to the practical mind.

Just before the meeting broke up Vance said (and it is to be hoped that all others of his manner of thinking will give the subject the same careful, painstaking study which he has given it, and that at least a large portion of them may see their way clear to reach a similar conclusion):

or each a similar conclusion):

Mr. Vance. I have been on the Populist band wagon for some five years. This is a selfish world, and up to a certain point we are all governed directly by motives of personal expediency. When war comes we have patriotic fervor and impulses, and of course we would all fight and spend our money freely for the maintenance of our common country. But so long as the country is not in immediate danger our acts and votes and our opinions. are likely to be shaded in a great degree by what we fancy will be of personal benefit to us.

I owe \$1,000 balance of purchase money on my farm-I have been owing it for fifteen years. I had got the idea that the \$1,000 balance which was going to Widow Smith, from whom I purchased the place, was worth a good deal more now than when I

chased the place, was worth a good deal more now than when I made the purchase. All that sort of argument has been fully dispreven by what we learned during our three evenings, and to-night's experience has simply clinched that opinion.

We have discussed the alleged crime of 1873, and shown fully that it was a plain business proposition, which was fully discussed through five years of Congress and given entire publicity, and accepted as a matter of course as the then present condition, and as not subject to criticism.

In concluding I wish to say to my neighbors, and through them

In concluding I wish to say to my neighbors, and through them to all others, that whatever is right and just ought to prevail. We are a great nation, and to the peoples beyond the seas our civilization and civil liberty are a beacon, a watchword, and an inspiration to the tolling masses everywhere. Understanding this condition and appreciating our responsibility not only to ourselves but to all mankind, we must place the flag of our country and the honor and credit of our nation at the top of the mast and maintain American liberty, American labor, and American honor un-

Our laws afford the widest liberty and the greatest opportunity for honest toil. We must see to it that our labor and our products are protected, and at the same time we must firmly resolve to steadfastly maintain that the dollar of the workingman, the dol-lar of the farmer, the dollar of the merchant, and the dollar which comes into the pockets of every man, woman, and child in all this mighty country is as good as the best—and good as the best not only for to-day, but for to-day one year, and five years; that it shall not be subject to discount, but that it shall pass current in every mart and for every purchase and for every payment wherever our flag may wave. There was loud and hearty applause when Vance, after making

There was foud and hearty applause when Vance, after making what was for him a very long speech, took his seat. For a moment each one was busy talking with his immediate neighbor, approving the general trend of Vance's remarks. A few rose to go; but at that moment they noticed the stocky, sturdy, well-built form of Burns moving toward the area in front of the rostrum, and evidently full of some remarks which he wished to deliver. In a moment he began nervously fingering his hatband and explaining that he was more used to handling tools than pens, and more used to exercising the muscles of his arms and legs than his vocal organs. The following, in substance, is what he said:

cising the muscles of his arms and legs than his vocal organs. The following, in substance, is what he said:

Mr. BURNS. I have been studying this whole problem for some months, and have looked at it from the standpoint of the man whose capital resides in the muscles of his arms and legs and back, in a good eyesight, in a reasonably clear head, and in the employment of all these adjutants in making for himself, in any branch of industry, a fair day's work. I feel that I can speak, not only for myself, but for all those who work by the day or the month or the year and whose capital is impaired when we are sick and whose interest ceases to run the day we are out of work. sick and whose interest ceases to run the day we are out of work.

President Lincoln said once that you can fool all the people part
of the time and a part of the people all of the time, but that you
could not fool all the people all the time.

You remember back in the seventies that we had a greenback

craze, and good men went wrong trying to make fiat money enrich everybody—trying, in fact, to hoist themselves over the fence by tugging at their boot straps. Some very good men went off on

this greenback craze, but most of them who had plenty of gray matter sooner or later came back. I remember that all of the matter sooner or later came back. I remember that all of the Democrats egged on the greenback proposition. They pointed it out to the workingmen as a sure way to universal wealth. But greenbackism is dead, dead as a coffin nail. The only trouble, however, is that from its ashes springs up another theory equally pestilent, equally harmful to all the people. From the ashes of greenbackism sprung the Democratic project of free trade in 1892 that was to make everything cheap to the laboring man and bring about the millennium. In 1896 we see the same old enemy—the devil with a different suit of clothes on, his horns covered up, his tail rolled carefully under his coat, and a new quadrennial smile on his face—blandly assuring the workingmen who stand idle with empty dinner pails before closed factories that it is all a mistake; that it was not free trade that did it; and that if it was now has a new and improved and certain sure cure for this camnow has a new and improved and certain sure cure for this cam-paign—that is, free silver. I think if we are hoodwinked again we would deserve a modification of that famous remark of Lin-

we would deserve a modification of that famous remark of Lincoln's. We were fooled in 1892. It is well for us to resolutely set our faces against being fooled again in 1896.

The Democratic party seems to me to assume the guise of that scriptural wicked individual. He clamored for free trade four years ago. Now he points eagerly toward free and unlimited coinage of silver at the ratio of 16 to 1. Possibly four years hence he may come up again smiling and demand a free and untrammeled entrance into his own dominions. meled entrance into his own dominions.

Coin Redemption Fund.

An Honest Dollar Needs no Apology.

REMARKS

HON. DAVID H. MERCER.

OF NEBRASKA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896,

On the bill (H. R. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. MERCER said: Mr. SPEAKER: I am opposed to the Senate substitute. So is the The eternal, never-ending discussion and agitation of the free coinage of silver question in the American Congress at this time is full of damage to our industries and to our growth. It gives unrest in business circles and makes our credit a football in gives unrest in business circles and makes our credit a football in the marts of the world. How many times must the Senate pass a 16 to 1 proposition before realizing that the country is fully in-formed as to its opinion on that subject? Unless its zeal in this respect is soon abated, I fear every motion to adjourn will be coupled with a free-coinage amendment. It is talk, talk, talk, and the meant thereby weated would feed and elether a million. the money thereby wasted would feed and clothe a million. If, instead, it would act, act, act, there would be less demand for an election of Senators by the people. Nothing can be accomplished for free coinage of silver this Congress; then why agitate the ques-

for free coinage of silver this Congress; then why agitate the question?

The great conventions will soon assemble and the nominees thereof can go before the country on this proposition and allow the people to decide it at the polls. Such a course would be true economy. If the act of 1873 was a mistake—and upon that proposition people may honestly differ—how can we rectify the mistake, if it was a mistake, at this late day by returning to the financial condition existing prior to the passage of that act? Certainly not by passing this substitute; certainly not by reenacting the law which was repealed by the act of 1873. Why? Because conditions—and conditions over which we as a Government have no control—have radically changed. When we passed the act of 1873 many of the leading powers of the world followed us with similar legislation, and a revolution in finance the world over ensued. Would it not be a dangerous experiment for this country to re-Would it not be a dangerous experiment for this country to retrace its steps and reestablish a financial system which existed prior to 1873 without the company of the same influence which joined us in our original course? I think so, sir, and I believe the experiment would be fraught with much danger.

An illustration in mind would not be out of place at this time.

A few years ago a conductor on a motor line in the city of Omaha, and, by the way, we have the best system of electric street railways in the world in our city, was injured by a collision of cars, his right leg being badly crushed. An inexperienced physician who happened to be near took charge of the case and advised amputation. He had just finished the operation when a skillful surgeon arrived. In a moment he saw that a blunder had been committed, and he roundly abused the physician for unnecessarily sacrificing the man's leg; but that did no good. The leg could not be returned to its place. So it is with the act of 1873; if a mistake then, its restoration is an impossibility now, for every change in the financial world since that time is against such a course. If am a himsefallist, a sincere himstallist, and not a silver monometal-

in the financial world since that time is against such a course. I am a bimetallist, a sincere bimetallist, and not a silver monometallist, and I believe that until the great commercial nations of the earth meet in harmony upon a proposition to increase the mintage of silver, America will not be justified in taking such a step alone. In my opinion, free coinage of silver by this country alone and unaided, in the face of affairs elsewhere, would drive us to a silver basis so rapidly that we could not exchange our property in time to avert bankruptcy. I live west of the Missouri River, and, for one, deny that that stream is the dividing line in America between sound finance and inflation, between the payment of honest oblisound finance and inflation, between the payment of honest obligations and repudiation. Nebraska is the great agricultural State of the Union. Her people rank first in point of intelligence in the of the Union. Her people rank first in point of intelligence in the country, and although now and then a crevice is made in her sta-bility through which crawls and squeaks a man apparently anxious and willing to discredit her at home and disgrace her abroad, such misfortune is only temporary, for the sober second thought of her broad-minded, patriotic people soon reasserts itself and her repu-tation for protection, sound money, and stalwart Republicanism

is again intact.

There was a time when I could be intimidated by the orator who asserted with so much vehemence that \$00,000,000 silver-using people—free-coinage-of-silver people, if you please—were demanding that we join them, both in the practice and demand, and to heed not was to lose their trade and treasure; but since I have had the opportunity to visit China, where reside \$400,000,000 of these people, and to touch at India, where we find \$300,000,000 more, and knowing from equally reliable authority that the remaining \$200,000,000 is made up of people similar in kind to the \$700,000 000 referred to ing from equally reliable authority that the remaining 200,000,000 is made up of people similar in kind to the 700,000,000 referred to, much of the scare has vanished. To cite China's system of finance as a proof of anything but imbecility is an insult to intelligence. China has no system of finance and her money is of as many kinds as Joseph's coat had colors. It is true there is a mint at Canton, and it issues a silver dollar, a dollar of equal fineness and intrinsic value to the Mexican dollar, intrinsically worth more than the American dollar, but in the markets of China, as well as in the markets of the world, only worth an American 50-cent piece, and it is so much discredited at home that it no sooner finds a lodgment in the hands of a native than a hole is punctured through it to test in the hands of a native than a hole is punctured through it to test its genuineness

It is suspicioned at home and discounted abroad, and has so little circulation that it is a stranger to nine-tenths of the Empire. I repeat, China has no monetary system. In each of the nineteen provinces there is a medium of exchange peculiar to the people and customs, and oftentimes the wants and necessities are so limited that the people waive the use of any medium of exchange. In one province we find silver, pure silver, serving as a medium of exchange, and an old pair of scissors does the mintage. Again, bits of opium serve the same purpose, while in a third pelts and hides take the place of money. In the Hankow district, some distance back from the Yangtse River, tea is compressed into small blocks or bricks, especially adapted to the Russian market, and known as brick tea, and this serves as money, while in other parts of China the small brass coin carried down through the ages and known as "cash" is the only coin recognized and receivable as money, and even it fluctuates in value, ranging from 1,300 to 1,800 of them to equal a teel, or \$1.25 in Mexican money. Then, again, thousands of Chinese live like the beasts of the field and fowls of the air, on nature; simply exist and have no more use for coin or commerce than did Adam and Eve in the Garden of Eden. In the seaport cities of China, the large cities, we find banks, generally managed by English capital and after a system common in other commercial centers, save that the currency issued is of uncertain value the minute it leaves the city limits of its place of birth. For example, the great Hongkongis suspicioned at home and discounted abroad, and has so lit-

rency issued is of uncertain value the minute it leaves the city limits of its place of birth. For example, the great Hongkong-Shanghai Bank, doing business at Hongkong, Amoy, Shanghai, and other cities in China, India, and Japan, issues paper currency—a promise to pay; and although this great banking concern is doing business in several cities, the issue of one bank is discounted by any other to which it was be presented while is cern is doing business in several cities, the issue of one bank is discounted by any other to which it may be presented, while its silver currency has only bullion value and is subject to the fluctuations of the London market twice a day. As I traveled from city to city I was exceedingly careful not to draw on my letter of credit for any more money than I needed in the different places visited for fear that I might be oversupplied with a coin or currency which would be subject to excessive discounts at the next abiding place. If such be free coinage of silver I will have none of it.

What is true of China applies to India and other countries

similarly situated. In Japan we find a monetary system, a system national in character, but so full of uncertainties that one is reminded of the wildcat banking days of America. Values in money and property fluctuate daily, and prices on the London market govern all kinds of trade. Japan is the England of the Orient in many respects, and she will not much longer be satisfied with a fluctuation uncertain and insecure while advanced many respects, and she will not much longer be satisfied with a financial system unstable, uncertain, and insecure while advancing so rapidly in science, manufactures, and the arts. She will soon demonetize silver. Some of her leading statesmen advocate the step to-day, and when this occurs she will command the trade of the Orient and threaten that to the East and West, even unto the circling of the globe. In so doing she is simply repeating history, that in the ratio which a country keeps pace with the history—that in the ratio which a country keeps pace with the commerce and growth of the great progressive powers, in the same ratio she approaches the demonetization of silver to such an extent

that bimetallism and not silver monometallism prevails.

Japan has already begun her attack upon high wages and well-paid labor, and whether she is on a silver or gold basis there will be little difference in the injury inflicted upon the commerce and industries of Europe and America. The productions of Oriental labor, under the superior guardianship of ambitious Japan, are in the markets of the world to stay, and the competition will increase in violence with the lapse of time, unless some restrictions are originated and enforced. The result of the war between China originated and enforced. The result of the war between China and Japan has only enlarged this field of danger, for the latter country intends introducing modern methods among the Chinese, and as a race they can vie with the Japanese in any contention the moment their supreme egotism is destroyed.

Already Great Britain, France, and Germany have felt the effect of this influence in their Oriental trade, and I prophesy here

and now that England will soon be compelled to both preach and

practice protection on that account.

Japan is smaller in area than California, but her population numbers 43,000,000 of the busiest people on earth. Men, women, and children, from early morn until late at night, incessantly work, work, and they can imitate any device contrived by human hands. Most of them labor for 10 cents a day and save money. The difference in exchange does not give them an advantage over America, which could be remedied by financial legislation here or elsewhere. where. The only cure is a high protective tariff and restricted immigration. To-day China and Japan take our gold in exchange for commodities and deliver it to England. In 1895 this farce was carried to such an extent that the balance of trade between America and these countries was in their favor over \$40,000,000. Protection and reciprocity is the only remedy for this unfortunate financial tangle.

This leads me to the true solution of our present financial evil, sir, and that is that the money question in America will take care of itself if we will only settle the tariff question along strong protective lines. Prior to the election of 1893 we heard nothing about a diminishing reserve. In those days confidence was abroad in the land and capital and labor were freely employed. The reserve the land and capital and labor were freely employed. The reserve received no thought, it created no fear, for this country was so governed as to make its receipts equal and exceed its expenditures. Our Republican policy attracted gold and built up a trade whereby the balances were in our favor. Had the American people not wandered after strange gods in 1892 we would still be enjoying the good times of the Harrison Administration. We have arned a valuable lesson, one not to be forgotten during the next generation at least.

we now realize that protection protects and free trade disorganizes, and the sooner we return to Republican men and measures the sooner will this great country recover from the sad plight into which it has been plunged by a party which is full of wisdom in defeat but full of blunders in victory. The advent of Democracy meant death to protection, and when such a calamity became an assured fact confidence was shaken, capital retreated behind an assured fact confidence was shaken, capital retreated behind bank vaults and into sundry hiding places, and business languished—aye, became paralyzed and bankrupt. All this did not result because there was not money enough in the country for business purposes. The free-coinage advocate always assigns this as one of the reasons why the mints should be opened to the free and unimited coinage of silver at the ratio of 16 to 1, and perhaps with some effect prior to the remarkable expose of its fraudulency a few days ago, when almost \$600,000,000 in gold was offered for \$100,000,000 in bonds, and most of it by the patriotic American neconle.

This outburst of American confidence in American institutions and American credit has not only astounded and surprised the financial world, but it makes us the cynosure of the bankers and mancial world, but it makes us the cynosure of the bankers and investors of the civilized globe. Let us hope that it is the first sign of a returning confidence which always holds sway under Republican Administrations, and that it sounds the death knell to financial heresies in this Republic. I hear it said that we do not have sufficient money in the country to transact our business. Why, sir, it is not so much a question of the amount of money as it is a question of quality and circulation. I glory in the fact

that our currency is as stable as the Rock of Ages—worth an hundred cents on every dollar, and nothing calls it from its hiding place so quickly as an intimation that the country will soon be in the control of the Republican party, a party of bookkeeping and business. Restore confidence and money will circulate; restore confidence and business will revive; restore confidence and prosconfidence and business will revive; restore confidence and prosperity will once more reign over a contented and happy people. Free coinage of silver by America alone will not restore confidence, neither will it restore silver to that ideal realm so often pictured by the enthusiast. Such a step means silver monometallism, and silver monometallism means Mexicanization. God forbid that we should come to that.

If we were living the life of the American Indian prior to the time he was discovered by Columbus, our law of coinage as well as our law of commerce would not concern us. We would have no our law of commerce would not concern us. We would have no use for either. But we have outlived that condition in life. We are a great commercial nation, rich in everything under the sun, and we seek a business intercourse with all nations, all people. We desire that we shall not be second to any power on the face of the globe in business, in civilization, in peace, or in war. We want our currency to be the peer, at least, of any which circulates, and if there is to be a "best," we claim that distinctionates, and if there is to be a "best," we claim that distinctional free coinage of silver may do for China, but it will never gain a foothold in America under present conditions. Without it, we will soon lead England in finance, and America will be the clearing house of the world; with it, and we will furnish an apology with each 50-cent dollar.

In conclusion, allow me to say that the American people, irrespec-

ogy with each 50-cent dollar.
In conclusion, allow me to say that the American people, irrespective of party, are a patriotic, God-fearing people, anxious to do right, and full of confidence in the public servant empowered to represent them. If that servant proves honest, conscientious, and courageous in the discharge of his duties, he will receive the commendation and good will of his constituency, although at times he seems to run counter to its opinions and beliefs. The gentleman from Missouri [Mr. Hall] gave utterance to informa-tion that has been of common knowledge on the floor of this House for some time, that there are members of the Senate and House who are at heart and head opposed to free coinage of silver, but through fear of a frowning constituency subvert their own views and the best interests of the public by voicing and voting in such a manner as to be most pleasing to a suffrage they are supposed to represent.

The Senate has not met the expectations of the country in re-The Senate has not met the expectations of the country in returning to us a substitute hardly germane to the proposition sent it from the House. If that body desires to inflict upon this country such a law, let it boldly and manfully pass an original bill to that effect and not use it as a rider upon every conceivable bill that may stand a chance of passage. The Senate well knew that this House would not agree to the substitute; it knew that President Cleveland would veto such a measure if passed to him, yet in spite of such knowledge the country must be agitated and convulsed by needless attempts at the impossible.

I shudder at the consequences of a deadlock, fraught with so much danger. I see in it no legislation of benefit to the masses. The President insists upon free trade and the single gold standard; the Senate has no ear, no voice, no vote for any measure not

The Fresident insists upon free trade and the single gold standard; the Senate has no ear, no voice, no vote for any measure not looking toward the free coinage of silver at the ratio of 16 to 1, while the House of Representatives, with its large Republican majority fresh from the people, asserts itself in favor of saving the country from bankruptcy and against silver monometallism. The situation is indeed a grave one. A deficiency of many millions still stares us in the face, and no sign of its removal. The

lions still stares us in the face, and no sign of its removal. The House has expressed a desire and intention to remedy the evil in part by passing a revenue bill which even its enemies admit would yield the Government \$40,000,000 annually; yet because it does not also provide for the free and unlimited coinage of silver it is spurned and spit upon by the Senate, through a majority made up of Populists, Democrats, and erring Republicans.

I believe the people of America desire that we should expunge from the statute books the Wilson bill and restore in its place a Republican tariff measure, rich in protection, and then crown it with reciprocity; that we should take some steps toward securing an international monetary congress in the interest of silver; pass a bankruptcy bill, for this Administration has made such legislation a necessity; give to the country such remedial legislation as tion a necessity; give to the country such remedial legislation as its urgent necessities demand; improve our immigration laws; enunciate as a Republican measure a vigorous foreign policy; pass the general appropriation bills, and then notify the President, the Senate, and the country that we are ready to adjourn. Upon such a record the Republican party could go to the country with the hope of receiving the glad tidings: "Well done, thou good and faithful servant."

The only hope for such a consummation is a Republican victory, complete and overwhelming, in November. The responsibility now rests with the people. If they do their full duty, I have some hopes of a national salvation; if they shirk, the slough of despond and misery will only increase in area.

Deficiencies Caused by the McKinley Bill-McKinley Bill Framed by the Inter-ested Manufacturers Who Wrote the Schedules-Bepublican Change on Currency and War on Bimetallism-What this Congress Did Not Do-Prodigality of this

SPEECH

HON. BENTON MCMILLIN.

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, June 9, 1896.

Mr. McMILLIN said:

Mr. Speaker: From the time that the masses of the people in 1890 rose up and condemned the McKinley bill, the country has been tortured with the claims of its advocates that it was an allwise and all-sufficient revenue measure. It was not only condemned in the Congressional elections of 1890 but also in the Presidential election of 1892. As the result of these two adverse decisions of the people it was repealed.

It had not only raised the duties on the necessaries of life in

It had not only raised the duties on the necessaries of life in many instances to more than 100 per cent, but under the pretense of inaugurating reciprocity it surrendered the Congressional power of levying taxes to the President of the United States. Under the extraordinary powers conferred by this bill upon him the President could impose taxes to-day, release them next month, and reimpose them the month following.

Another extraordinary provision of the bill was that whereby millions of dollars were to be paid in bounties out of public taxes. Taxes were to be raised by contributions from the masses of the people and in turn paid to the beneficiaries designated by the

Taxes were to be raised by contributions from the masses of the people and in turn paid to the beneficiaries designated by the statute under the bounty law. Thus money was taken from one citizen by taxation to be paid to another. The producers of sugar did not want this. They urged that it should not be done. They asked only that they be permitted to be placed under the same law that governed manufacturers of other things. They sent able representatives here to plead against this discrimination alleged to be in their favor, but all in vain. The sugar duty was repealed over their protest and bounty provided in its stead. The advocates of the McKinley bill, both before and since the receal of the cates of the McKinley bill, both before and since the repeal of that measure, claimed that it afforded ample revenue to meet the expenses of the Government. Nothing could be further from the truth. Yet we have heard it iterated and reiterated during this

DEFICIENCIES CAUSED BY THE M'KINLEY BILL, Let us see what the facts are concerning the revenues raised from the McKinley bill and the deficiencies produced by it. I use a statement of Secretary Carlisle and figures taken from the records of the Treasury Department:

a statement of Secretary Carlisle and figures taken from the records of the Treasury Department:

[Extract from letter addressed by the Secretary of the Treasury to Hon. William R. Morrison, October 2, 1894.]

The records of the Department show that during the fiscal year 1888 the receipts were \$111,341,273 in excess of the expenditures; during 1889, \$57,761,-680; during 1890, \$55,600,271; during 1891, the year after the passage of the McKinley bill, \$28,88,541; in 1822, \$9,914,455; in 1893, \$2,341,674, and in the year 1894, during the whole of which the McKinley bill was in full force, the expenditures exceeded the receipts to the amount of \$99,683,2590, notwithstanding the expenditures were \$16,752,676 less than in the preceding year. You will thus observe that the receipts in excess of expenditures diminished annually under the operation of the McKinley tariff act, until finally a large deficiency was the result.

The statement of Mr. McKinley that I had used the gold reserve to meet the daily expenses of the Government is incorrect.

I inclose herewith a printed document containing the statements made by me before the Committee on the Judiciary of the House of Representatives in January last, from which it will be seen (see page 13) that United States notes and Treasury notes of 1890 had been redeemed in gold to the amount of \$58,641,866 in excess of the reserve fund raised by the sale of bonds. These redemptions were made with gold received from all the various sources of 1890 redeemed in gold up to the present date is \$249,808,494, while the whole reserve fund provided for by law was \$100,000,000 in the first instance, and the proceeds of the bonds sold in February last, amounting to \$58,5500,000. Instead, therefore, of using the lawful reserve to defray ordinary expenditures, we have in fact largely used the ordinary receipts for the purpose of redemption—the purpose for which the reserve i.self was intended.

On the 1st day of March, 1859, the beginning of President Harrison's Administration, the funds

Agency account..... Net balance in the Treasury.

Total Zi0, 348, 916. 12
On the 1st day of March, 1893, the beginning of the present Administration, the funds in the Treasury actually available, exclusive of the \$100,000,000 reserve, were as follows: Agency account.....
Net balance in the Treasury.....

Total 62,450,575.18

This statement is made in accordance with the form now in use, and exhibits the actual condition of the Treasury at the dates mentioned, including all available assets of every kind.

In addition to the ordinary receipts of the Government, there was, as you know, covered into the Treasury during the Administration of President

Harrison \$54,207,975.75, which was held in trust as a fund for the redemption of national bank notes. This proceeding was authorised by the act of July 14, 1890, commonly known as the Sherman Act.

The item denominated "agency account" is that portion of the miscellaneous cash in the Treasury held for certain liabilities appearing on the books of 1890 outstanding.

From the 1st day of March, 1886, the beginning of Mr Cleveland's first Administration, to March 1, 1886, the public debt was reduced \$31,448,449.20, and from March 1, 1889, to March 1, 1888, the reduction was \$26,527,686.10.

It is true, as you suggest, that for some time previous to the close of the last Administration warrants upon requisitions were held up to a very considerable extent in order to avoid a reduction of the balance on hand, but the amount of these requisitions can not now be ascertained without devoting a great deal of time and investigation to the subject. I think, however, they amount to several million dollars.

amount to several million dollars.

It will thus be seen that the deficiency created under the McKinley law amounted the last year of its operation to \$69,803,-360; that in the first year of its operation whilst it yielded about \$26,000,000 surplus it dwindled to less than \$10,000,000 the second year, and to less than \$2,500,000 the third year, and that for the four years of its operation it fell beneath the requirements of the Government over \$30,000,000. The deficiency from it the last year of its operation was more than \$69,000,000, notwithstanding the fact that there was a saving that year under Democratic economy of over \$16,000,000 as compared with the preceding year. And for the last three years of its operations its aggregate deficiencies were over \$57,000,000.

The bill that succeeded it is not responsible for the deficiencies that have characterized the revenues of the Government since its adoption. In fact, that measure, known as the Wilson bill, made

adoption. In fact, that measure, known as the Wilson bill, made ample provision for the revenue necessary to run the Government under the economies inaugurated by a Democratic Congress. It provided an income tax, which, with the other provisions of the bill, would have yielded all the revenues necessary; but the Supreme Court of the United States overrode its own decisions of nearly a hundred reast and declared the income tax features. nearly a hundred years and declared the income-tax feature unconnearly a hundred years and declared the income-tax feature unconstitutional. This remarkable result was reached through the extraordinary change of heart in one member of the court, who had decided on a previous hearing the law to be constitutional. This decision not only overrode the old decisions on the subject, but overrode the decisions made under the income-tax laws of the sixties, through which over \$340,000,000 had been collected, the Supreme Court holding that income-tax law constitutional, which was in every essential particular similar to the one passed by the last Congress and overridden by the court. So that the failure of the revenues of last year and this is in consequence of perverted judicial decisions and not because of the failure of Congress to impose taxes or provide revenue.

M'KINLEY BILL FRAMED BY THE INTERESTED MANUFACTURERS, WHO WROTE THE SCHEDULES.

Availing myself of the leave given by resolution of Congress, I shall comment on the action of the convention which nominated Mr. McKinley for President and insert in the RECORD a history of how the McKinley bill was framed. These facts were called to the attention of the country both by the distinguished gentleman from Georgia, Hon. H. G. TURNER, and by the Hon. William L. Wilson, now Postmaster-General, then a member of this House, in a speech he made on the bill providing for free wool. He showed very ably and conclusively that the distinguished gentleman who presented the bill was not the "author," but merely the "compiler" of the McKinley bill. In fact, in presenting the bill to the House, on the conference report on September 27, 1890, Mr. McKinley said, in commenting on the wool schedule:

This schedule has the hearty approval of the National Woolgrows, association, and of the several State associations throughout the country.

Immediately following this he also said:
And, Mr. Speaker, that is entirely true also of the tobacco schedule.
One of the greatest schedules embraced in our tariff laws is the metal schedule. During the period the bill was being framed Mr. James M. Swank, secretary of the American Iron and Steel Association, was in Washington and about the committee room. He made the following report as secretary to the president of that association: association:

During the long period in which this measure (the McKinley bill) received the consideration of Congress, the views of this association concerning the proper framing of the metal schedule of the new tariff law were frequently solicited and were promptly given.

The schedule as adopted is the most harmonious and completely protective of all the metals schedules.

It would be very strange if it were not so, when the men interested in having high protection were permitted to frame the schedules wholly in their own interests, and without any regard to the public revenues or the public weal and without any restraint from the committee.

On page 290 of the hearings before the Committee on Ways and Means, Fifty-first Congress, which were the hearings that preceded the McKinley bill and held on it, Mr. William Whitman, president of the National Association of Wool Manufacturers, said he "had framed two clauses" prescribing the taxes on women's and children's dress goods. These clauses were incorporated as

framed by Mr. Whitman in section 374 and section 375 of the McKinley Act. Is it any wonder that almost the highest rates of duty imposed by the McKinley Act were those on women's and children's dress goods? I cite the following from the speech of Mr. Wilson delivered in the House in 1892 on other schedules, concerning the action of the committee in allowing the outsiders to write what duties they wanted in the tariff law:

cerning the action of the committee in allowing the outsiders to write what duties they wanted in the tariff law:

At page 281 of the hearings Mr. Isaac N. Heidelberger, in behalf of the wholesale clothing manufacturers, submitted a memorandum of their demands, and that memorandum, so far as it related to woolen clothing, is substantially embodied in paragraph 386 of the act.

The makers of firearms appeared at page 1256 with the sections they wished "incorporated and made a part of the tariff schedule of duties," and those sections appear in their own words as paragraphs 386 and 170 of the act, with a single trifling change.

Again, at page 22 of the hearings may be found the demands of the tinplate makers—that they were going to be—proffered by their trusted counselor, my friend from Michigan [Mr. Burnews], and although thousands and tens of thousands of consumers and laborers protested against these demands, Mr. Cronemeyer's wishes are exactly embodied in paragraph 145 of the McKinley bill.

At page 79 of these hearings Mr. Charles S. Landers, representing the makers of table cutlery, presented the corrections and amendments which they wished in the Senate clause, and at paragraph 167 of the act his memorandum appears in the very words in which he wrote it.

On page 65 of the hearings Mr. W. F. Reckwell makes known the demands of the makers of pocket cutlery, and these demands literally reappear in paragraph 165 of the bill.

Now I understand, for the first time in my life, how a "consistent, logical, complete" protective tariff is framed, "with the different parts properly and justly related." Our friends upon the other side merely leave the blanks on the committee table, and look at the ceiling or stroll around the Capitol while the parties who desire to tax the people come and fill in the blanks according to the suggestions of their own greed or selfshness.

Other instances equally flagrant and outrageous could be adduced showing that the McKinley law was not made by Mr. McKinley, but was compiled by him

interests?

REPUBLICAN CHANGE ON CURRENCY AND WAR ON BIMETALLISM.

It is gratifying to note that the Republican party has at last quit trying to deceive people as to its views on financial questions and comes squarely out for gold monometallism. It has at last said what it felt for years—that it is for the single gold standard. It has raised the black flag against the white metal.

On June 21, 1888, when General Harrison was nominated for President, the platform on which they placed him not only declared for silver as money but blamed the Democratic Administion for an alleged effort to demonetize silver. Mr. McKinley, if my memory serves me correctly, was chairman of the platform committee. Here is the platform adopted:

BIMETALLISM

The Republican party is in favor of the use of both gold and silver as money, and condemns the policy of the Democratic Administration in its efforts to demonetize silver.

What a revolution it must have taken to sweep him from this to the gold platform on which he now stands!

In 1892, in national convention, it adopted the following plat-

form, which is given with its heading:

The American people from tradition and interest favor bimetallism, and the Republican party demands the use of both gold and silver as standard money, with such restrictions and under such provisions to be determined by legislation as will secure the maintenance of the parity of the two metals so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be at all times equal.

At the convention just adjourned at St. Louis, which nominated McKinley, the following platform was adopted:

We are unalterably opposed to every measure calculated to debase our currency or impair the credit of our country. We are, therefore, opposed to the free coinage of silver except by international agreement with the leading commercial nations of the world, which we pledge ourselves to promote, and until such agreement can be obtained the existing gold standard must be preserved. All our silver and paper currency must be maintained at parity with gold, and we favor all measures designed to maintain inviolably the obligations of the United States and all our money, whether coin or paper, at the present standard, the standard of the most enlightened nations of the early the standard of the country was elected on the platform of 1998 de-

present standard, the standard of the most enlightened nations of the earth. Sir, President Harrison was elected on the platform of 1888 denouncing demonetization. Mr. McKinley was elected to Congress on it, but instead of observing the platform on which they were elected they made the longest stride toward demonetization made in this country since 1873, by passing what is known as the Sherman Act of 1890, which repealed the Bland Act, stopped the compulsory coinage of silver, thereby converting silver into a mere commodity, and providing for the issue of paper redeemable in gold

and silver, not on coined silver, but on uncoined silver bullion

and silver, not one content silver, but out the one of silver button stored in the Treasury.

Observe, if you please, the evolution of the Republican party from its platform of 1898, denouncing demonetization, to its platform of 1899, proclaiming for "free and safe coinage of gold and silver," "with such restrictions and under such provisions to be determined "with such restrictions and under such provisions to be determined by legislation," etc., to the platform of 1896, which proclaims not for silver restoration, not for bimetallism, merely with statutory safeguards, but for the single gold standard. This platform also makes another fearful surrender. The platform of 1892 reserved to the United States to "determine by legislation" what safeguards should be thrown around coinage; but the platform of 1896 goes beyond all this, surrenders all claim of legislative control over the matter, and pledges the people of the United States to stand by the single gold standard until England and the other "leading commercial nations of the world" give their consent that we shall have it. They declare unalterable opposition to free coinage unless they can get an "international agreement with the leading commercial nations of the world," and declare:

Until such agreement can be obtained the existing gold standard must be reserved.

It will not be denied by any that outside of the United States Great Britain is the "leading commercial nation of the world." We are, therefore, hereby pledged never to move until she will move with us. Does any sane man expect her to move with us in this direction? He who does has read her history in vain. She demonetized silver eighty years ago. She has never made an agreement since looking to its restoration, and if the American people indorse this platform it is notice to her that she need not cooperate with us. And there this important matter ends forever! All she need do is hold out, and this platform pledges our opposition to coinage.
When will she give her consent?

When did she give their rights to our fathers? Not until eight years of heroic suffering and bloodshedding by our ancestors.

A fourth of a century after we had achieved our independence

she searched our ships and seized our seamen. When we protested, did she desist? Not until she had invaded this very city, and burned its Capitol and Executive Mansion. Not until we had sent Jackson to New Orleans to drive back her invading veterans and capture the trained soldiers of the Peninsula. Not until we dispatched Perry to the Great Lakes to send back from their waters, red with the blood of our fathers, the immortal, soul-stir-ring message, "We have met the enemy, and they are ours."
When did our people ever before bow to England in anything?

When we were only 3,000,000 strong we wrested the colonies from her grasp! When we were only 8,000,000 strong we broke the shackles by which she bound all sailors on the high seas! When only 10,000,000 strong, under what is known as the "Monroe doctrine," we made the map of North and South America and defied not only England, but all the balance of the world, to set a hostile foot on these showed. When we according hostile foot on these shores! When we organized our Government, though we spoke the same language, we changed our money denominations from pounds, shillings, and pence to dollars, dimes, and cents in order to be fiscally free as well as physically free

from England. from England.
Yet after all of this glorious fighting we are asked to hold up our hands and let her shackle us now. Republicans make the surrender; Democracy declines to do it. Gentlemen who think this is possible mistake the spirit of the American people. When we changed the money denominations from pounds, shillings, and pence to dollars, dimes, and cents; when we determined to issue the greenback currency that has been a part of our circulation for a third of a century, did we ask England, France, or Germany to allow it? When we passed the Bland Act in 1878, under which allow it? When we passed the Bland Act in 1878, under which we have coined hundreds of millions of money, did we go and get first the consent of "the leading commercial nations"? Not a bit of it. It is true that Mr. Haves vetoed that measure in an effort to try to get us to obtain such consent, but his veto was overridden as it deserved to be.

When do gentlemen suppose we will be able to obtain the consent of England to an international agreement for free coinage? The present administration in England has said that it could not be given. Its predecessors for eighty years have said the same; and if you went to them begging this "international agreement" they would say to you, as Gladstone has substantially said in the past: "The world owes us enormous amounts of money. form of stocks and bonds and mortgages. To return to bimetal-lism diminishes the value of these debts; therefore we can not agree with you." That is what they have always said in the past. I concede that international agreement is much to be desired, but at the same time I realize that it is not obtainable with England, and when the Republican party through its platform pledges the American people, in substance, not to move until England gives her consent, it seals the doom of international agreement forever! Nothing has come from these conferences in the past. Day after day we have sent our dove across the waste of waters, but night after night it has returned weary winged and leafless.

Sir, I beg those who are infatuated with the idea that we can get England to join us in restoring silver, and that she is essential to the success of bimetallism, to remember that England demonetized silver in 1816, and has maintained the single gold standard since. Silver was at a premium in England when she did it. She was not essential to bimetallism then; she is not now. Our statesmen then did not consult her wishes nor pander to her rapacity. When she demonetized silver Thomas Jesterson, author of the Declaration of Independence, still lived. John Adams was yet alive. Madison, the father of the Constitution, lived. Monroe, who was soon to promulgate the Monroe doctrine, dictating to the whole world as to territorial acquisition, lived. Jackson, fresh from the victory at New Orleans, still lived. But in them also lived the spirit of 1776. Who of these immortal patriots ever intimated that Engineering and the spirit of the s land should dictate or influence our financial policy, and that we should demonetize silver because Eagland had? When did one should demonetize silver because England had? When did one of them say that England should control us in finance? Never, Still the world moved on and the young Republic prospered. Then we numbered only about 10,000,000 people; now we number 70,000,000. Then we were comparatively a small factor in the world's progress and autonomy; now we are the greatest factor in it, equaling any three of the greatest powers. I would to God that the spirit of 1776 were in the Americans of 1896!

This Government has now existed for one hundred and seven-

teen years. This is more than one-fourth as long as Rome was free. During the whole period this is the first time that any party, in national convention, whether Whig, Federal, Democratic, hibition, Populist, or Republican, ever proclaimed in its platform for gold monometallism. The people will condemn this new departure from the money of the Constitution.

WHAT THIS CONGRESS DID NOT DO

The Republican party obtained control of the House by inveighing against the Democratic party of the last Congress-charging it with doing nothing to relieve the country.

After getting the House by two-thirds majority, and organizing the Senate—appointing Republicans as chairmen of committees in the Senate—what has this Congress done to relieve the country? Nothing! Absolutely nothing! It has shown itself utterly inefficient. From lack of courage or other cause, it failed to try to solve many problems waiting solution at its hands.

They claim that the revenues were insufficient to meet the expenses of the Government. Did they send any revenue measure to the President to supply this deficiency? None! In their platform of 1892 they inveighed against trusts and com-

What measure did they send to the President to restrain None! them?

And now they abandon the plank in their platform against

The debts due from the Pacific roads subsidized by the Government amount to more than \$150,000,000 and are falling due. of the roads are in the hands of receivers, and consequently now have to be operated through the Federal court. What measure did they send to the President or pass through either House looking to the settlement of these claims or the collection of these None!

Their platform complains because the Democratic party repealed a so-called reciprocity law which authorized the President to impose taxes without consulting Congress or the people. What measure did they pass through Congress looking to a restoration of these reciprocity provisions? None!

Their platform says:

The Nicaragua Canal should be built, owned, and operated by the United

What bill did they pass through the House or through the

Senate authorizing this construction? None!

The platform contains a provision favorable to the independence of Cuba. Yet neither the Senate nor the House, with whom rests the power to declare war, sent any bills to the President or tried to send any for a declaration of the independence of Cuba.

They proclaim in the platform in favor of excluding from entrance to the United States those who can neither read nor write. What measure did they send to the President providing

for this or even looking in this direction? None!

There was a very important measure pending in Congress providing for the settlement by arbitration of the disputes wherein labor was involved. It was introduced and urged by Hon. Mr.

ERDMAN of Pennsylvania. Organized labor of the country strove to have some such measure passed, but in vain. The Presidential election was pending, and it was left to smolder.

Another bill was pending providing for the appointment of a commission of three men from the different walks of life—labor, commerce, etc.—to consider the grave questions arising there and recommend legislation from the total to the total strong the strong transfer. report and recommend legislation from time to time to Congress A similar commission exists in many countries, and is considered an advanced step for labor. If I am correctly informed, those engaged in advancing the best interests of labor throughout the country urge its passage. Was such a measure sent to the President for the approval of the executive branch of the Government in order that it might become a law? No. Not one law was passed to help the laborer.

This Congress considered it more important to break the record

of early adjournments than to make a record passing the needed legislation. So the appropriation bills were rushed through Congress that Congress might rush away from the Capitol, leaving its legitimate work undone and the interests of the country neglected. Under the rules of the House, Friday of each week is given to the consideration of private bills. Thousands of them were introduced and hundreds of them were reported by the committee.

duced and hundreds of them were reported by the committees, and by the Court of Claims. Yet every Friday except one or two in the entire session—I mean the day sessions—was taken from the Private Calendar, devoted to other uses, and these claims left typaid and unconsidered. This Congress pretended to favor a bankrupt law, but adjourned

This Congress pretended to favor a bankrupt law, but adjourned without final action on the bankrupt bill.

The copyright bill pending in Congress was an important one, and there was every reason why it should have been acted upon. Yet, in hot haste to get away, it was laid aside by Congress.

The Territories of Arizona and New Mexico are justly clamoring for admission to the Union as States. Democracy has favored their admission and does now. But they are supposed to be too strongly tinctured with Democracy. They have ample population to entitle them to admission. Every principle of "home rule" and "local self-government" dictated that they should be permitted to enter the sisterhood of States. Notwithstanding the merits of their case, they were refused Statehood, and now stand knocking in vain at the doors of a closed Congress for admission to the Union.

There are other measures clamored for by our Republican friends which they made no effort to advance. It will not do to say that they did not have time to consider these things. They adjourned and fled from their duties at an earlier date than any other Congress has for a third of a century. It will not do for the House to say that the Senate would not act because the House research a resolution preging the Senate to join them in the adjourner. passed a resolution urging the Senate to join them in the adjournment on the 18th of May.

This Congress was afraid of itself and fled from the Capitol the earliest day possible; and in the light of its achievements well might the country be afraid of it.

PRODIGALITY OF THIS CONGRESS.

There is one thing in which it stands preeminent. It is the most extravagant Congress that ever assembled in time of peace since independence was achieved. The following and supplement table, taken from the speech of Hon. J. D. SAYERS on the appropriations of this Congress, proves the truth of what I say:

In conclusion, Mr. Speaker, it will be seen from the tables herewith that the appropriations made by the past three Congresses and at the present section have been as follows:

ifty-first Congress, both sessions.

\$1,035,680,109,94

Fifty-second Congress, three sessions.

\$2,035,690,109,94

Fifty-fourth Congress, three sessions.

\$2,035,690,109,94

Mr. Speaker, to show the expenditures of the Government more

Mr. Speaker, to show the expenditures of the Government more clearly, I add the following tables of receipts and expenditures, which will show the expenditures by administrations:

RECEIPTS AND EXPENDITURES FROM MARCH 1, 1885, TO JUNE 1, 1886.

From March 1, 1885, to March 1, 1889. \$1,085,600,326.04
From March 1, 1889, to March 1, 1893. 1,864,286,307.22
From March 1, 1893, to June 1, 1896. 1,174,364,983.26
When the Fifty-first Congress adjourned with an expenditure of half a billion dollars for one year and a billion in two years the

country stood aghast at the enormous and unwarranted expenditures. But this Congress has broken the record. The expenditures of it all told amount to \$7 for every man, woman, and child in

of it all told amount to \$7 for every man, woman, and child in America.

When we remember that the appropriations of the second session of the Fifty-first Congress were nearly \$50,000,000 more than those for the first session, and consider that that will probably be the situation again with this Congress, it is appalling to contemplate the extravagance of the Fifty-fourth Congress. About two-thirds of all the money in the United States has to go through the hands of the Federal taxgatherer, according to the new schedule of expenditures adopted by this Congress every two years. With increases of expenditures it is proposed by this new platform and new departure to restrict the currency. I warn gentlemen against tempting too far the patience of an overburdened people.

SUPPLEMENT.

Table B .- Appropriations made by the Fifty-first, Fifty-second, and Fifty-third Congresses, and first session of the Fifty-fourth Congress, fiscal years 1891

	Fifty-first	Congress.	Fifty-second Congress.		Fifty-third Congress.		Fifty-fourth Congress.	
Title.	First session, 1801.	Second session, 1802.	First session, 1896.	Second session, 1894.	Extra and first regular ses- sions, 1895.	Third session, 1896.	First session, 1897.	
Agriculture Army Diplomatic and consular District of Columbia. Fortifications Indian Legislative, etc Military Academy Navy Pension, including deficiencies a Post-Office River and harbor Sundry civil Deficiencies, except for pensions	4, 232, 935, 00 7, 262, 016, 03 31, 030, 752, 75 435, 296, 11 24, 136, 035, 53 123, 779, 308, 35 72, 226, 698, 99 25, 136, 295, 00	\$3, 028, 153, 59 24, 613, 529, 19 1, 656, 925, 00 6, 597, 125, 17 8, 774, 903, 00 16, 586, 254, 80 22, 037, 674, 75 402, 004, 64 31, 541, 654, 78 164, 550, 383, 34 77, 907, 922, 61 c 38, 388, 552, 73 9, 384, 148, 62	\$3, 232, 905. 50 24, 506, 459. 82 1, 604, 615, 617, 973. 27 2, 734, 276. 00 7, 664, 647. 34 21, 900, 132. 97 423, 917. 33 223, 543, 335. 00 154, 411, 682. 00 80, 331, 276, 73 21, 154, 218, 00 27, 665, 076, 93 8, 230, 859. 50	1,557,445.00 5,413,223.91 2,210,055.00 7,854.240.38 21,865,802.81 22,104,061.38 180,061.074.85 84,004,314.22	\$3, 223, 623, 06 23, 592, 884, 08 1, 663, 918, 76 5, 645, 672, 672, 672, 672, 672, 672, 672, 672	\$3, 303, 770. 00 281, 252, 608. 00 1, 574, 458. 76 5, 745, 443. 25 1, 904, 557. 50 8, 792, 751. 24 21, 991, 718. 08 464, 231. 68 29, 416, 245. 31 141, 381, 570. 08 9, 548, 568, 100. 40 9, 825, 374. 82	\$3, 255, 532. 00 \$3, 278, 402. 73 1, 642, 558. 76 5, 905, 692. 46 7, 397, 888. 09, 496. 79 \$11, 518, 834. 71 449, 525. 61 00, 562, 739. 95 141, 328, 580. 00 92, 571, 564. 32 h 12, 621, 800. 00 33, 031, 152. 00	
Total	856, 121, 211. 68 7, 010, 905. 27	399, 238, 522, 19 d 19, 498, 531, 10	382, 527, 385, 89 3, 206, 922, 82	403, 515, 586. 11 500, 499. 18	890, 578, 048, 48 577, 956, 55	383, 636, 896, 97 297, 667, 37	396, 280, 660, 49 3: 425, 000, 00	
Total regular annual appropriations Permanent annual appropriations	363, 132, 116, 95 e 131, 324, 131, 70	418, 737, 053. 29 e 122, 486, 808. 00	385, 736, 308. 71 e 121, 863, 880. 00	404, 036, 085, 29 e 115, 468, 273, 92	391, 156, 005. 03 e 101, 074, 680. 00	383, 934, 564. 34 e 113, 073, 956. 32	396, 705, 660. 49 e 119, 054, 160. 00	
Total	494, 456, 248. 65	541, 223, 861. 29	507, 600, 188. 71	519, 504, 359. 21	492, 230, 685. 03	497, 008, 520. 63	515, 750, 820. 40	
Total Fifty-first, Fifty-second, and Fifty-third Congresses	1,085,6	80, 109. 94	1,027,1	104, 547. 92	980, 239, 205. 69			

a Deficiencies included as follows: 1891, on account of 1890, \$25,821,907.25; 1892, on account of 1891, \$29,335,598.34; 1893, on account of 1892, \$7,674,332; 1894, on out of 1898, \$14,149,724.85.

a Deficiencies included as follows: 1891, on account of 1890, \$25,321,907.25; 1892, on account of 1891, \$29,335,598.34; 1893, on account of 1892, \$7,674,332; 1894, on account of 1892, \$14,149,724.85.

b This amount includes \$13,282,700 for refund of direct taxes in addition to the specific sum of \$500,000 appropriated for that purpose.
c This amount includes \$15,227,000 for refund of direct taxes in addition to the specific sum of \$500,000 appropriated for that purpose.
c This is the amount originally submitted to Congress by the Secretary of the Treasury as estimated to be necessary under permanent specific and permanent indefinite appropriations, except that to the amount thus submitted for 1891, \$101,623,453, there are added expenditures under permanent appropriations made by the Fifty-first Congress subsequent to said estimate, as follows: Salaries diplomatic and consular service, \$27,755.79; redemption national-bank notes, \$25,563,298.50; expenses of Treasury notes, \$21,853,326.60; coinage of silver bullion, \$210,893.41; rebate to tobacco tax, \$770,082.99; and repayments to importers and for debentures and drawbacks, customs service, \$4,915,285.29; in all, \$29,995,678.70.

f This sum is exclusive of \$1,660,000 for second installment on account of purchase of Cherokee Outlet, which has been paid under "permanent annual appropriations," but is not included in the estimates thereunder for 1897. A like sum was included in the Indian appropriation act passed at the last session of the last Congress.

g No river and harbor act was passed during the last session, but the sundry civil act of this session carried \$11,287,115 for river and harbor works under contract, while the sundry civil act of this session appropriates only \$3,294,597 for such works.

A This does not include \$3,292,890.60 to pay sugar bounty under legislation enacted by the Fifty-first Congress.
J This sum includes \$3,292,890.60 to pay sugar bounty under legislation enacted by the Fifty-first Congress.

I This sum includes \$3,292,890.60 to pay s

Free Coinage of Silver.

SPEECH

HON. JAMES G. MAGUIRE,

OF CALIFORNIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 13, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2904) to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. MAGUIRE said:

Mr. Chairman: I have no idea that I shall be able to aid materially in the solution of the problem now before Congress. Indeed, there seems to be an irreconcilable conflict of opinion between the legislative and executive departments of our Government, if not between the two Houses, upon all questions of coinage and finance, which renders it impossible during the life of the present congress to have any plan adopted which may be expected to extricate our country from her present great and acknowledged difficulty. The whole question must, then, be submitted anew to the country at the coming election, and these arguments are intended rather to influence the thought of the country than to produce any immediate effect upon this House. I have listened attentively to the arguments of the learned and

experienced Representatives who have spoken on the bend bill passed by the House, and on the free-silver bill returned by the Senate as a substitute for it, and I have read much of the literature with which the country has been flooded during the last three years, in an effort to find a really scientific solution of the problem. I have no faith in the settlement of any such question upon lines of mere present expediency. What may, in your judgment, be expedient to-day may, under new and unforeseen conditions, work injustice or hardship to-morrow. It must be possible to find some scientific solution of the question. There must be some natural law governing the relation of money to the trade in which it is employed, which, if discovered and applied, will be better and more extistent on the property of the trade in which it is employed, which, if discovered and applied, will be better and more satisfactory in its results than any system that has yet been devised. I believe that men come together in communities by the force of natural laws which make them gregarious; that there is a natural law of social order; a natural law governing the relations of men to each other and to their natural environment, extending even to the domain of trade, with all its intricate and manifold combinations, which, if discovered and applied, must be best, as all natural laws, in every department of universal life and action, are better than any laws of human contrivance which can be substituted for them.

can be substituted for them.

An examination of the questions of coinage and currency from this standpoint necessarily excludes from consideration all mere sentimentality in favor of any particular metal or commodity as a medium or as a media of exchange, and excludes from consideration likewise the interests of special classes. It excludes from consideration the interests of gold-mine owners and silver-mine owners, and deals with the medium of exchange as a means of satisfying a want arising out of the operations of trade alone.

Money and all other media of exchange must ever be subordinate to the trade of the people, which they are intended merely to facilitate, but never to control or limit or hamper in any way. All talk about the sacredness of gold and silver as money metals is childish. They have no sacredness that can be rationally recognized. Indeed, they are less to be regarded than the commodities comprising food, clothing, and shelter for the human race, the exchange of which they are used to facilitate. Neither does it aid in the least in the solution of the problem to discuss the motives of part for the sacredness at a facilitate. in the least in the solution of the problem to discuss the motives of past Congresses or of Representatives or Senators in such Congresses in the passage of the laws that now govern our system of gresses in the passage of the laws that now govern our system of coinage. It is absolutely immaterial to the present discussion whether the act of 1873 was honestly or dishonestly passed. That act may have been passed in perfect honesty, or its passage may have been secured by the grossest fraud and suppression of truth, misleading the Senators and Representatives who voted for it, but it was constitutionally passed and approved. It is the law of the land, subject to amendment or repeal, just as other laws are subject to amendment and repeal, but not otherwise. There is no power within the Constitution that can in the slightest degree modify the law because of the fraud that may have been practiced modify the law because of the fraud that may have been practiced in procuring its enactment. It is the law and it controls our system of coinage equally, whether honestly or dishonestly passed, whether its enactment was criminal or virtuous. We are confronted with the law as it is, and the question with us is simply, Is the system of coinage thereby established the best that, with the

lights before us, can be established? If it is, it should be upheld, even though its enactment was procured by fraud. If it is not the best system, then it should be changed, or wiped out altogether, if sary, even though its passage were prompted by the very best

Nor will I attempt to discuss the much-agitated question as to the exact period at which the gold standard now in vogue was really adopted by legal enactment. It does not seriously matter whether it was adopted in 1835 or in 1853 or in 1873 or at a later period. The important fact is that we have now a single gold period. The important fact is that we have now a single gold standard for the coinage of our country, all other metals being coined at a fixed ratio with respect to gold, and the parity with gold at that ratio being guaranteed by the Government. All money other than gold is thus made token money. I have no doubt that by the passage of the act of 1873, and perhaps by the later acts, great injustice was done to the debtor class as it then stood for the benefit of the creditor class as it then stood. But in tood for the benefit of the creditor class as it then stood. the mutations that have inevitably taken place since 1873 the individuals comprising the debtor and creditor classes no longer occupy the same relations to each other that they then did, and any attempt now to rectify the injustice of 1873 by passing another law for the benefit of the debtor class and to the corresponding disadvantage of the creditor class as they now stand would be wholly ineffectual to accomplish justice in more than a very slight degree. We should therefore look not to the wrongs of the past but to the needs of the future in establishing the best possible sys-

tem of coinage and finance for the future.

Does the present system work well? Is it satisfactory? Does it meet the demands of trade fully and promptly without hardship

meet the demands of trade truly and promptly without hardship or injustice to the people of our country in general? It seems to me that it does not. None are entirely satisfied with it.

The demand for money of all kinds arises out of the operation of the laws of trade; the kinds and the volume of money which may be used to satisfy that demand are fixed and determined arbitrarily. trarily by a political system which is not in touch with the independent system of trade. Our laws as they now stand limit the trade of the country, and by similar manipulation elsewhere the trade of the country, and by similar manipulation elsewhere the trade of all the leading countries of the civilized world is limited to gold as the money of ultimate redemption. The gold supply of the world is limited and is generally believed to be inadequate for the service which is thus by law imposed upon it. I believe that it manifestly appears that the gold supply of the world is inadequate, but I do not care to discuss that phase of the question, because, in the view which I shall take of it, that question is not properly to be determined by Congress or by the political organizations of any country, but must properly be left to the laws of trade under which alone the supply of media of exchange to meet the demand created by the operation of those laws can be harmoniously and satisfactorily adjusted at all times. I therefore believe niously and satisfactorily adjusted at all times. I therefore believe that even the question as to the sufficiency or insufficiency of the volume of our money to meet the demands of trade may be prop-erly eliminated from the discussion of the question of coinage unless we have already finally and irrevocably determined that the volume and the kinds of money to be used in trade must be fixed and determined by the law moking powers of our flow the volume and the kinds of money to be used in trade must be fixed and determined by the lawmaking powers of our Gov-ernment. It seems to me that so long as those questions are retained for practical decision as part of the jurisdiction of our political system the supply of money of the kinds needed will never be made to harmonize with the demands of trade. It is enough, then, from my standpoint, for present purposes to recog-nize the apparent inadequacy of the gold supply to perform the money function devolved upon it by law without endeavoring to determine by investigation whether the inadequacy of that supply be real or only apparent. Its consequences we may well supply be real or only apparent. Its consequences we may well consider, for the greatest difficulty which our Government is now facing, not excepting the dangers of foreign wars, is the difficulty of meeting the demand for gold made upon it by commerce under

our existing laws.

During the last two years and a half this Government has been obliged to issue bonds to the amount of \$262,000,000 in order to obtain the gold necessary to maintain the parity now artificially established by law between gold and silver upon the gold basis. Yet this enormous bond issue has not in the least changed the conditions which gave rise to the demand for it. There is not the slightest assurance that the very same obligations of the Government upon which this enormous amount of gold has been drawn out during the last two years and a half may not all be again presented to the Treasurer of the United States to be again redeemed in gold during the ensuing year. The means in private hands by which the Treasury may be drained of its gold and compelled to replenish its gold reserve to meet further demands are just as comreplenish its gold reserve to meet further demands are just as complete to-day as they were at the beginning of the period of which I have spoken. The present system is an endless chain running between the United States Treasury and the great banking center of the country, by means of which all kinds of token money—which means all money other than gold—are carried into the Treasury of the United States and back again to the banking institutions, carrying with them an unending and undiminishing stream of gold and bonds.

The primary demand is for gold, and the basis of that demand is the obligation of the Government to maintain the parity between gold and silver; but the only means which the Government has of obtaining gold to satisfy this obligation is by the issuance of in-terest-bearing bonds. If this be so now it will be necessarily so in the future and for all time in the future, so long as the present system shall continue. In what other way can gold be cotained to meet this ever-present and ever-increasing demand for it? No other way has been discovered by the Administration, and I doubt if any other way can be suggested even by those who insist upon the continuance of the system, unless it be to pay immediately an immense premium for gold.

It has been suggested that the need of the Government for gold

It has been suggested that the need of the Government for gold to maintain the parity—for that is the real purpose, although the mominal purpose is to meet the gold obligations of the Government represented by the greenbacks—may be met by requiring a fixed percentage of all duties and other taxes to be paid in gold. That clearly would not help the matter, because the Treasury would be required to supply the gold with which to make such payments. It is quite immaterial whether the Government be required to find and furnish gold for the payment of a part of the duties and taxes which it collects. The gold required by the commerce of the country for all purposes must, under existing laws, be furnished by the Government of the United States, if the enforced parity is to be maintained upon the present gold basis.

It has been suggested that increased tariff taxes creating a full supply of revenue would cure the evil. Manifestly that could have no such effect, because even if the revenues derived from all have no such effect, because even if the revenues derived from all sources by taxation were sufficient, or even far more than sufficient, to meet all of the obligations of the Government, yet that more than sufficient revenue would not bring gold into the Treasury to meet the demand for gold arising out of the operation of our present coinage and currency laws, and, as I have stated, even if that revenue were required to be paid partly or even wholly in gold, the gold drain upon the Treasury would not be relieved thereby, but the Treasury would simply be obliged to find and furnish the gold required for the payment of the duties and other taxes. Of course, it is conceivable that with a full revenue derived from taxes all greenbacks and other demand obligations of the Government redeemed would be held in the Treasury and not put into circulation again, thus, by one redemption, cutting off put into circulation again, thus, by one redemption, cutting off each gold obligation of the Government and preventing its re-newed use for the purpose of extracting gold from the Treasury. But what would then become of the circulating medium of the country? Suppose that that course had been pursued from the time of the passage of the act of 1890, what would be the result? Simply an accumulation of a surplus of nearly four hundred millions of redeemed green backs and other notes of the Government and a contraction of the circulating currency of the country to the extent of \$400,000,000, thus producing a commercial difficulty far more serious than the present embarras ment of the Government by rendering the money of exchange still more inadequate to the demands of trade.

demands of trade.

What next? The Treasurer of the United States, under the direction of the Secretary of the Treasury, may refuse to pay any of the remaining paper obligations of the Government in gold. The act of 1800 authorized him to pay all obligations of the Government in gold or silver, at his option. But what would be the result of the exercise of that option in favor of paying silver? Why, according to the opinions of both the President and the Secretary of the opinions of both the President and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the president and the Secretary of the opinions of the opinions of the Overnment in gold. of the Treasury, it would necessarily and immediately ulace the whole currency of the country upon a silver basis, in spite of the act of 1878 making gold the standard. Assuming that they are right in this judgment, the very moment that the Government of the United States refuses at its Treasury to make its obliga-tions, no matter in what coin they are ultimately redeemable equal to gold, by paying gold for them, they must immediately, in accordance with the laws of trade, take their places in exchange according to the relative commodity values of the coins in which they are redeemable. The law requiring the maintenance of the parity between gold and silver by the Government is an interruption of the laws of trade, continuing to operate just as long as the terms of the law are practically carried out, but no longer. I have said that this is the judgment of the Administration itself,

have said that I is the judgment of the Administration itself, but I wish to add that I agree with that judgment.

Now, it seems to me that there are but two possible ultimate results before this country. We must go on without limit, either as to time or amount, procuring gold by the issuance of interest-bearing bonds, year after year, until our bonds shall become absolutely unsalable, when the scheme will end in the ignominy of national bankruptcy, or we must find safety in a return to a silver basis.

We have, in my opinion, no alternative in the matter of returning

to a silver basis. The nation can not long bear the strain of maintaining the present system. Our alternative, therefore, is merely as to the method of returning. We may return to a silver basis by legislation, in the enactment of which we may provide equitably for such existing obligations as ought to be paid in gold or its equivalent, or, failing of legislation to that end, we must re-turn to the silver basis through the channel of national bankruptey.

COST OF MAINTAINING GOLD STANDARD

It costs the people of this country now \$100,000,000 per annum to maintain the gold standard, and I do not see how, under the construction given to the currency laws of our country by the Treasury struction given to the currency laws of our country by the Treasury Department, we are ever to escape that burden or to make it less. I do not forget that for every dollar in gold that we give out we receive a dollar in the paper currency of the country which we can pay out at its nominal value. But we are paying a fearful premium for gold. We procure gold by the issuance of thirty-year bonds, bearing interest at the rate, approximately, of 3½ per cent per annum, amounting in thirty years to 100 per cent upon the amount borrowed. Now, the payment of interest by the Government of the United States is not like the payment of interest by a private individual or corporation upon money to be used producprivate individual or corporation upon money to be used producprivate individual or corporation upon money to be used productively. The private borrower of money puts it to uses that will yield interest equal to or in excess of the interest which he pays. Not so with the Government. The Government receives no compensating interest, because it does not use the money borrowed productively. The interest paid by the Government is a dead loss, which must be borne wholly by the people, and in this case 100 per centupon every dollar of gold borrowed to maintain the parity and the the Government for which it receives is a mere gratuity paid by the Government, for which it receive is a mere gratuity paid by the Government, for which it receives no return whatever in any form. But the people must, within thirty years after each bond issue, pay the principal of the sum borrowed, with an equal amount added to the principal in the form of interest. How long will the people continue to bear this burden? How long can they continue to bear it? It seems to me that the question of abandoning the gold standard is not a debatable one, unless the advocates of the gold standard can first show that a time will come in the near future when it will not cost the people \$100.000 per suprum as an absolute dead waste of public proper \$100,000,000 per annum as an absolute dead waste of public money to maintain it.

Mr. BOATNER. Mr. Chairman, if it will not interrupt my friend from California, I should like him to explain, if his premises be correct, what has maintained and what is now maintaining the silver circulation at a parity with gold?

Mr. MAGUIRE. It is the promise of the Government of the

United States to bear the expense of maintaining the parity be-tween gold and silver coin and between gold and all other forms of currency at the established ratio; to receive silver and other forms of currency in payment of Government dues on a parity with gold, and giving to silver and other forms of currency, either with or without limit, the legal-tender character. It is the equality and the certainty of redemption on a gold basis that accomplishes that purpose now; but it is fearfully expensive to the people, and the expense of maintaining it must increase rather than diminish in the future. Silver, being demonetized, is degraded and reduced in value throughout the world because the limitation put upon the use of silver makes the demand for it less than the supply offered; and this condition under the well-known and universal law of supply and demand reduces its market price far below what it would be if the demand were permitted to be normal

Mr. BOATNER, Will the gentleman permit another question?
Mr. MAGUIRE. With pleasure, sir.
Mr. BOATNER. If the propositions just stated by my friend be true, I would like to ask him to state what maintained the equality of the circulation issued under the Bland Act prior to the act of 1800? That circulation was issued at a time when there was no such pledge as that of which the gentleman speaks and no

such promise on the part of the Government.

Mr. MAGUIRE. I presume that between the time of the passage of the Bland-Allison Act and the passage of the act of 1890 sage of the Bland-Allison Act and the passage of the act of 1990 the demand for silver and for coin obligations of the Government to be used as money was greater than the supply, and that in spite of the fact that gold was made the sole money of ultimate redemption silver was more in demand for use than gold was for redemption. If the gentleman from Louisiana [Mr. Boatnel] means by his questions to suggest that it is not necessary to pay any of the outstanding paper obligations of this Government in gold in order to maintain the parity between gold and silver on the present gold basis, then I say to him that his opinion is based upon a supposed condition of fact the proof of which must be a fearful condemnation of the financial policy of both the present and the next preceding Administrations, for the people of this country have been called upon to bear the enormous burden of paying gold for greenbacks, notwithstanding the option of the Secretary of the Treasury under the law to pay them in either gold or allver, upon the theory that that course is necessary to the

pervation of the nation's honor and credit. The theory upon which they have been construed to be gold obligations is that, the Government having promised to maintain the parity between gold and silver, the honor of the nation would be impaired and blemished by a failure or refusal to pay them in gold, because such failure would immediately destroy the parity and reduce the countillater of the state o try to a silver basis.

I have sought to proceed in the discussion of this question upon the theory that the principal supporters of the gold standard, and particularly those who have charge of the administration of the nation's finances under that system, understand and correctly state their reasons for exercising their option in favor of paying gold instead of silver upon these obligations of the Government.

Now, if the theory of the Secretary of the Treasury and also of the President of the United States, as expressed in his message to Congress in December last, be correct, this country, notwithstanding the law making gold the standard, must go to a s basis whenever the Government fails to pay gold for any obliga-tion of the Government or for any other money or currency. If that be so, and it seems to me reasonably probable at least, then the retirement of the greenbacks and the other \$112,000,000 of so-called gold demand notes of the Government will not relieve us in the least of the burden of maintaining the parity between gold and silver and will not in the least reduce the necessity for selling interest-bearing bonds to procure gold for that purpose. If the greenbacks were all retired and \$100,000,000 in silver certificates were presented to the Secretary of the Treasury and gold demanded for them, the Treasurer of the United States would be bound to give gold for them or the parity would fail, because the owner of the silver certificates, being obliged to get the gold from some source and being unable to get it at the Treasury of the United States, would go into the market and pay a premium for it. That premium would represent the extent of the failure of the parity. So that there is really no prospect under the present system of any diminution of the necessity for procuring gold by the sale of the interest-bearing bonds in order to maintain the parity.

Remember that while silver would unquestionably be increased in value by the opening of our mints, or of any mints, to its free and unlimited coinage, the commodity value of the silver would not be increased through going to a silver basis by reason of the failure of the Government to maintain the parity, because the coinage of silver would still be limited and the demand for silver left unchanged. So much for the burden assumed by the Government is maintaining the gold student. ment in maintaining the gold standard.

ONLY ONE STANDARD.

"But," say the gold men, "the unit of value must be in one kind of money only. You can not have two standards of value—one in gold and one in silver, and gold is the standard of value in all of the leading nations of the world." Both of these propositions are true; but it is equally true that the adoption of gold as the standard of value in the leading nations of the earth is not even a good argument in favor of our adopting it, and does not in the least tend to show that gold is a better standard of value than silver. If we must have but one standard of value, and I concede that,

then I assert that every argument that should weigh in the selection of the standard is in favor of silver and against gold.

A word further about the systems of currency established in the older nations. Bear in mind that in those countries the people have never been consulted about the standard of value or the system of finance. The governments of those countries rely entirely upon the so-called expert financiers, the great bankers and money lenders, whose experience in banking and money lending is sup-posed to be the safest guide in all matters relating to coinage and currency, whereas in truth they are not experts in the use of money as media of exchange at all, and are expert only from the standpoint of the lender of money, who naturally imagines that the kind of currency which gives most advantages to the creditor class is the best money of ultimate redemption. From his point of view, naturally, if a metal money is to be selected as the standard of value and the money of ultimate redemption it should be the

metal which can be most readily monopolized and manipulated by the wealthy, though numerically small, creditor class.

We have not attempted any scientific solution of the money question, but have basely copied our system from the monarchies of Europe, and we are now told that that system must be best for this country because the governments of those countries have

adopted it.

MONEY IS DOMESTIC, NOT INTERNATIONAL

to us. The silver-standard countries of the world already produce nearly everything that we can not produce for ourselve

As to foreign balances, we do not pay them in gold coin, but in gold by weight, and in the payment of such balances uncoined bar gold is generally at a premium over coined gold.

There is no such thing as an international money, nor can there be except by an international agreement, such as that of the Latin Union, and I very much doubt the practicability and the value of

such an agreement.

Money is essentially a matter of domestic concern to the people of each country, and in establishing a money system for country it is quite immaterial what system any other nation may have adopted. There is no more reason or sense in waiting for an international agreement on the subject of money than there be in waiting for an international agreement on the subject of taxation or education or universal suffrage.

International bimetallism is a fraud put forward by the gold men as a temporary expedient, and is repudiated by them when-ever, in moments of exuberance, they feel above the need of its

CHARACTER OF EXISTING DERTS IMMATERIAL.

Silver was selected as the standard of value in this country at sheer was selected as the standard of value in this country at the suggestion of Thomas Jefferson more than one hundred years ago. The silver dollar continued to be the unit of value until 1873, when it was superseded by the gold unit, certainly not be-cause of any general fault found with the silver standard nor because of any demand made among the people for the change, but probably, even without the knowledge of a majority of the representatives in the Congress adopting it, suggested by the large creditor classes in order to enhance the value of the public and private securities and claims which they held. After the passage of that act all demands to repeal it were met with arguments that or that act all demands to repeal it were met with arguments that could not be urged in favor of its passage originally and that do not support the theory that gold is a better standard of value than silver. It was urged and is still urged that all debts, public and private, contracted after the passage of the act of 1878 were contracted with reference to the law making gold the standard, and are therefore gold debts; that to change the standard would be an injustice to those who had contracted under the law with the expectation that they would be paid in gold according to that an injustice to those who had contracted under the law with the expectation that they would be paid in gold according to that law, that it would be dishonorable by changing the standard to interfere with their vested rights. That contention might be answered by the suggestion that the act of 1873 was equally unjust to debtors, and that both debtors and creditors must take their chances upon changes in public laws, the indirect effect, but not the primary purpose, of which is to increase or diminish the values or burdens of individual obligations. In so far as existing debts are morally gold debts, they should be paid in gold or its equivalent. If under free coinage silver will become commercially equivalent to gold at the ratio of 16 to 1, all will be well, but the contingency that it may not do so should be provided for with respect to obligations that are morally payable in gold. but the contingency that it may not do so should be provided for with respect to obligations that are morally payable in gold. But I will not discuss that phase of the question. Our system of coinage should not be controlled in any way by the fact that we owe obligations which ought to be paid either in gold or in silver. It is absurd to contend that we should forever maintain a bad system of currency in this country, because no matter at what time you propose a change in the system you are hampered by the fact that there are public and private debts which have been contracted under existing law and which ought not to be either increased or diminished in value by a change in the law. It can increased or diminished in value by a change in the law. It can not be conceded that the people of this country are forever bound hand and foot to a vicious system of currency by the existence of that condition. We should be as free to-day to change our system of currency from bad to better or from worst to best, if we can find the best, as we would be if nobody owed a dollar, and we must assert that freedom in the matter of changing our currency system.

SILVER MONEY ESSENTIAL-GOLD MONEY NOT ESSENTIAL

The uses to which gold is put in effecting the exchanges of the world involve very little demand for coined gold. Indeed, the gold coinage of our country might be absolutely and permanently stopped without materially hampering trade in any part of the United States. It is not the medium through which exchanges are effected by the use of money passing at the time of the exchange.

exchange. Not so with silver. If the use of silver as money were prohibited, half the exchanges of the country in value and nineteen-twentieths of the exchanges of the country in number would be thrown Say the gold monometallists—
unless we coin gold as our exclusive money of ultimate redemption we can not trade on equal terms with the leading nations, because they will not sell except for gold, and they will accept nothing but gold in payment of our trade behances to them.

I will not discuss the first of these propositions. I venture to predict that we shall not suffer by reason of their refusal to sell

The exchanges of the country in number would be thrown into the utmost confusion and continually embarrassed until the restoration of silver to use as money. Silver is the medium of the small exchanges that are made by the use of money passing at the time of the sale or purchase. No satisfactory substitute for silver as money has ever been found. It is essentially the money of the people, and as every dollar's worth of the commodities comprising the wholesale trade of this country must finally be sold in comparatively small quantities to ultimate consumers who pay their small prices and bills in silver, which is the only money suited to small exchanges, it must be apparent that at least half in value of the exchanges of the country are made by the use of silver and can not be satisfactorily made in any other way or by the use of any other medium.

SUPERABUNDANCE OF SILVER.

It is highly important that our unit and standard of value shall be in the essential money of our domestic exchanges. It is absolutely indispensable that there be no necessity for calculating discounts or premiums on that money. Every unit of that money should be at all times exactly equal to the legal unit of value. Silver, as I have shown, is the essential money of our domestic exchanges. Gold, while very useful, is not essential. It is merely a convenient supplement to our silver coinage.

Say the gold-standard advocates-

silver has become superabundant. Not more than half the present supply of silver could be used as money in all the countries of the world, even if its coinage were free and unlimited. This oversupply of silver has so far reduced its market value as to make it cumbersome as money.

I will not discuss the supply of silver relatively to the possible demand for it as money. I will assume that at least half of it must find employment in the arts. This condition, so far from being an argument for the demonetization of silver, is a very being an argument for the demonetization of silver, is a very strong argument in favor of making it the standard, as against a metal the supply of which is confessedly far short of the demand for it. The supply of gold is so far below the demand for it that it is always safe to monopolize it, and to manipulate its price in the market, to the infinite enrichment of the monopolists and to the corresponding injury of the masses of the people. The superabundance of silver over the possible demand for it as money would serve as a perpetual bulwark against its monopoly and manipulation. It would never be safe to attempt its monopoly and manipulation. It would never be safe to attempt its monopoly. If an attempt should be made to monopolize coined silver the surplus used in the arts would flow into the mints to meet the deficiency. To monopolize silver bullion would necessitate the payment of a price high enough to draw it away from the arts, with the certainty of being obliged ultimately to sell it for use in the the certainty of being obliged ultimately to sell it for use in the

arts.

The average cost of producing silver, which is considerably above its present market price, is the best possible guaranty against its further depreciation under any circumstances, and is the best possible assurance of its considerable appreciation in market value whenever the present law-created, abnormal condi-

tion shall be removed. Under free coinage, which we all understand in common speech to mean unlimited as well as free coinage, the possible fluctuations in the market price of silver would be confined to the very nar-row margin between the cost of producing it and its value for use

These rigid limits of fluctuation would secure to us the steadiest standard of value conceivable.

Would the cheapness of silver make it cumbersome as standard money? I think not. Silver bears practically the same relation of value to-day to the staple commodities of commerce that it bore for the eighty-one years during which it was the standard of value. It can not be more cumbersome now than it was during that period.

Remember that the price of silver has fallen only with reference to the price of gold, not with reference to the prices of other commodities; and that apparent fall may have been occasioned either by the depreciation of silver and of the other commodities or by the appreciation of gold.

But if silver should be found cumbersome as money, a system of silver certificates, representing deposits of silver at the mints or subtreasuries of the United States, would overcome that difficulty. It will not be denied that a one-thousand-dollar silver certificate is less cumbersome than a twenty-dollar gold piece. certificate is less cumbersome than a twenty-dollar gold piece.

THE RATIO.

Say our opponents-

gold and silver can not be used together at the ratio of 16 to 1 unless the Government guarantees the parity at that ratio.

My answer is that it is not a proper function of government to guarantee the parity between metal moneys.

The function of government ends with the free and unlimited coinage of such metals as the people desire to use as media of exchange at such ratios as are likely to make them proportionately enest to each other in use, leaving their actual relation to be governed by the laws of trade. I am certainly opposed to taxing the people \$100,000,000 a year to maintain the parity, as we are doing now. now.

I am in favor of restoring the free and unlimited coinage of gold and silver at the ratio of 16 to 1, first, because our last experiment in the free and unlimited coinage of both metals showed that to be the true ratio at that time, and we can not ascertain

either that there has been a change or the extent of the change without restoring the system of coinage then existing; secondly, because all of our gold and silver money now in use has been coined at that ratio, and it would be a great and expensive folly to recoin either our gold or our silver money at a new ratio until, by actual experiment, we ascertain whether or not the restoration of the free and unlimited coinage of both metals will restore the commercial parity which existed between them up to the time of the demonetization of silver. If gold should go to a premium, it will do no particular harm. In fact, gold is now at a tremendous premium, and the people, through their National Treasury, are paying it.

Free Trade or Protection.

REMARKS

OF

HON. CHESTER I. LONG,

OF KANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 10, 1896.

Mr. LONG said:

Mr. Spraker: In these days of business depression, when those who are responsible for the Wilson-Gorman tariff law are endeavoring to change the issue of the coming campaign, and thus avoid

their responsibility for its failure, it is well to remember that the result of this step toward free trade is the same as other resorts to this policy in the past.

Free trade may be better for Great Britain, but our experience has clearly demonstrated that it is not better for this country. We have prospered under protective tariffs, and we have always be described by the same as the s

had panics and business disasters when we have tried free trade. No clearer exposition of the principles of protection can be found than the following reply of James G. Blaine to William E. Glad-

No clearer exposition of the principles of protection can be found than the following reply of James G. Blains to William E. Gladstone in the North American Review:

There can be no doubt that Mr. Gladstone is the most distinguished representative of the free-trade school of political economists. His addresses in Farliament on his celebrated budget, when chancellor of the exchequer in the first of the true principles of finance area delivered by an English of the true principles of finance area delivered by an English of the true principles of finance area delivered by an English of the true principles of finance area delivered by an English of the true principles of finance area delivered by an English of the true of the true principles of finance area delivered by an English of the His illustrious character, his great ability, and his financial experience point to him as the leading defender of free trade applied to the industrial system of Great Britain.

Mr. Gladstone apologizes for his apparent interference with our affairs. He may be assured that apology is superfluous. Americans of all classes hold him in honor, free traders will rejoice in so eminent an advocate, and protectionists, always the representatives of liberality and progress, will be glad to learn his opinions upon a question of such transcendent importance to the past, the present, and the future of the Republic.

Ferhaps the most remarkable feature in the argument of Mr. Gladstone, as indeed of every English free trader except John Stuart Mill, is the universe indeed of every English rect rader except John Stuart Mill, is the universe indeed of every English free trader except John Stuart Mill, is the universe indeed of every English free trader except John Stuart Mill, is the universe indeed of every English free trader except John Stuart Mill, is the universe indeed, and the liberal position, whether a nation be in the Eastern or the Western Henrishbere, whether it be north or south of the English of English free trade to the except depen

upon its commerce with the world. On the other hand, a single State of the Union is nearly three times as large as Great Britain. Several other states are each quite equal to it in area. The whole Union is well-nigh forty times as large. Alaska excepted, the northernmost point of the Union is but 50 miles south of the southernmost point of the Union is but little more than 100 miles from the Tropics. Its natural products are more varied, more numerous, and of more valuable character than those of all Europe. To quote one of Mr. Gladstone's phrases, we constitute "not so much a country in ourselves as a world." He tells us that we carry on "the business of domestic exchanges on a scale such as mankind has never seen." Our foreign commerce, very large in itself, is only as 1 to 25 compared to our internal trade. And yet Mr. Gladstone thinks that a policy which is essential to an island in the northern ocean should be adopted as a policy of a country which even to his own vision is "a world within itself."

as a policy of a country which even to his own vision is "a world within itself."
With these fundamental points of difference between the two countries, I assume that varied financial and industrial systems, wrought by the experience of each, would be the natural and logical result. Hence I do not join issue with Mr. Gladstone on both of his propositions. He defends free trade in Great Britain. He assails protection in the United States. The first proposition I neither deny nor affirm. Were I to assume that protection is in all countries and under all circumstances the wisest policy, I should be guilty of an error similar to that which I think Mr. Gladstone commits. It might be difficult to prove that free trade is not the wisest financial policy for Great Britain. So far from guarding herself against material imported from other countries, her industrial system would wither and die if foreign products were withheld for even a brief period. She is in an especial degree dependent upon the products of other nations. Moreover, she does not feel bound to pay heed to the rate of wages which her labor may receive. That, like the fabrics which her labor creates, must take its chance in the markets of the world.

On many points and in many respects it was far different with Great

the fabrics which her habor creates, must take its chance in the markets of the world.

On many points and in many respects it was far different with Great Britain a hundred years ago. She did not then feel assured that she could bear the competition of continental nations. She was, therefore, aggressively, even cruelly, protective. She manufactured for herself and for her network of colonies reaching around the globe. Into those colonies no other nation could carry anything. There was no scale of duty upon which other nations could enter a colonial port. What the colonies needed outside of British products could be furnished to them only in British ships. This was not protection! It was prohibition, absolute and remorseless, and it was continued even to the day when Mr. Gladstone entered upon his long and splendid career in Parliament. It was not broken, though in some respects it was relaxed, until in the fullness of time British energy had carried the wealth and the skill of the Kingdom to the point where no competition could be feared.

not profection! It was prohibition, absolute and remorseless, and it was continued even to the day when Mr. Gladstone entered upon his long and splendid career in Parliament. It was not broken, though in some respects it was relaxed, until in the fullness of time British energy had carried the wealth and the skill of the Kingdom to the point where no competition could be feared.

During the last thirty years of her protective system, and esspecially during the tweaty years from 1826 to 1846, Great Britain increased her material wealth beyond all precedent in the commercial history of the world. Her development of stem prove pown of her mechanicians increased the amount, the variety, and the value of her fabrics beyond all anticipation. Every year of that period witnessed the addition of millions upon millions of sterling to the reserve capital of the Kingdom; every year witnessed a great addition to the effective machinery whose aggregate power was already the wonder of the world. The onward march of her manufacturing industries, the steady and rapid development of her mercantile marine, absorbed the matchless enterprise and energy of the Kingdom. Finally, with a wast capital accumulated, with a low rate of interest established, and with a manufacturing power unequaled, the British merchants were ready to underbid all rivals in seek.

At that moment Great Britain had reason to feel supremely contant. She found under her own flag, on the shores of every ocean, a host of consumers whom no man might number. She had Canada, Austrial, and India with open ports and free markets for all her fabrics; and, more than all those combined, she found the United States suddenly and seriously lowering her tariff and effectively abolishing protection at the very moment England was declaring for free trade. The traffic of the world seemed prospectively in her control. Could this condition of trade have continued to estimate of the growth and account of England was declained by the control of the control of the present of the pre

country.

The withdrawal or termination of these influences, by a treaty of peace in Europe and by the surcease of gold from California, placed the tariff of 1840

*The phrase "free-trade tariff" involves a contradiction of terms. It is sed to designate that form of duty which is levied with no intention to pro-

where a real test of its merits or its demerits could be made. It was everywhere asked with apprehension and anxiety: Will this free-trade tariff now developed and sustain the business of the country as firmly and securely as it has been developed and sustained by protection? The answer was made in the ensuing year by a widespread financial panic, which involved the ruin of thousands, including proportionately as many in the South as in the Norta, leaving the country disordered and distressed in all the avenues of the Country are described in President Buchanan's well-rumembered message, communicated to Congress after the panic: "With unsurpassed plenty in all the elements of national wealth, our manufacturers have suspended are abandoned, and thousands of useful laborers are thrown out of employment and reduced to want." This testimony as to the result of a free-trade carry public works are retarded, our private enterprises of different kinds are abandoned, and thousands of useful laborers are thrown out of employment and reduced to want." This testimony as to the result of a free-trade tariff is all the more forcible from the fact that Mr. Buchanan, as a member of President Polk's Cabinet, had consented to the abandonment of protection, which in his earlier career he had earcestly supported.

If these disasters of 1857, flowing from the free-trade tariff, could have been regarded as exceptional, if they had been without parallel or precedent, they might not have had so deadly a significance. But the American people had twice before passed through a similar experience. On the eve of the war of 1812 Congress guarded the national strength by enacting a highly protective tariff. By its own terms this tariff must end with the war. When the new tariff was to be formed a popular cry arose against "war duties," though the country had prospered under them despite the exhausting effect of the struggle with Great Britain. But the prayer of the people were son reduced to as great distress as in that melancholy period bet

young Republic in its brief life had encountered, and that the seven years which followed its enactment were beyond precedent the most prosperous and happy.

Sectional jealousy and partisan zeal could not endure the great development of manufactures in the North and East which followed the apparently firm establishment of the protective policy. The free-trade leaders of the South believed—at least they persuaded others to believe—that the manufacturing States were prospering at the expense of the planting States. Under the lead of Calhoun, South Carolina robelled, and President Jackson, who had so strikingly shown his faith in the policy of protection, was not able to resist the excitement and resentment which the free traders had by his two bitterest personal enemies—Clay for protection, Calhoun for free trade. To support Clay would ruin Jackson politically in the South. He could not sustain Calhoun, for, aside from his opposition to free trade, he had cause for hating him personally. He believed, moreover, that Calhoun was at heart untrue to the Union, and to the Union Jackson was as devoted as Clay. Out of this strange complication came, not unnaturally, the scriftce of the protective tariff of 1824–1828 and the substitution of the compromise attriff of 1838, which established an advalorem duty of 20 per cent on all imports and reduced the excess over that by a 10 per cent annual sliding scale for the ensuing ton years. Like all compromises, it gave complete satisfaction to neither party, but it was received with general acquiescence from the belief that it was the best practicable solution of the impending difficulties. The impending difficulties were two. One was the portentous movement which involved the possibility of dissolving the Union; the other was the demand for a free-trade tariff as the only measure that could appease the Southern nullifiers. Disunion and free trade from that time became associated in the public mind—a source of apprehension in the North, asource of political power in the South, rebellion.

For a time satisfaction was felt with the tariff adjustment of 1833, because

For a time satisfaction was felt with the tariff adjustment of 1833, because it was regarded as at least a temporary reconciliation between two sections of the Union. Before the sliding scale was ruinously advanced there was great stimulus to manufacturing and to trade, which finally assumed the form of dangerous speculation. The years of 1834, 1835, and 1836 were distinguished for all manner of business hazard, and before the fourth year opened the 30 per cent reduction (three years of 19 per cent each) on the scale of duties was beginning to influence trade unfavorably. The apprehension of evil soon became general, public confidence was shaken, the panic of 1837 ensued, and business reversals were rapid, general and devastating.

The trouble increased through 1838, 1839, and 1840 and the party in power, held responsible for the financial disasters, fell under popular condemnation. Mr. Van Buren was defeated, and the elder General Harrison was elevated to the Presidency by an exceptionally large majority of the electoral votes. There was no relief to the people until the protective tariff of 1842 was enacted; and then the beneficent experience of 1824 was repeated on even a more extensive scale. Prosperity, wide and general, was at once restored. But the reinstatement of the Democratic party to power, two years later, by the election of Mr. Polk to the Presidency, followed by a perverse violation of public pledges on the part of men in important places of administration. led to the repeal of the protective act and the substitution of the tariff of 1848, to which I have already adverted, and whose effects upon the country I have briefly outlined.

Measuring, therefore, from 1812, when a protective tariff was enacted to give strength and stability to the Government in the approaching war with Great Britain, to 1861, when a protective tariff was enacted to give strength and stability to the Government in the impending revolt of the Southern States, we have fifty years of suggestive experience in the history of th

burdens removed by the emectanest of a protective tariff. Thrice the protective stariff promptly led to industrial activity, to financial case, to protective stariff promptly led to industrial activity, to financial case, to protective stariff promptly led to industrial activity, to financial case, to protect on the provided of the product of the half century's experience, with its three trials of both systems, did not be producted to the half century's experience, with its three trials of both systems, did not method of resonanting may be true to the product of the product of both systems, did not method for seconding may be true to the product of the produ

country has passed with alternate trials of the two systems. Moreover, it is fair to say that Mr. Gladstone does not in his utherance represent European Judgment. He speaks only for the free-trade party of Great Britain and their followers on this side of the ocean. The most eminent statesman on the College of the colle

"In 1870 only 30,000 tons of steel rail were manufactured in the United States. But the product under the increased duty of that year rapidly increased. The relative number of tons produced in England and the United States for a period of twelve years is shown as follows:

For the same period, 1877-1888, inclusive, the following table will show the number of tons of steel ingots produced in the two countries respectively:

Years.	England.	United States.	Years.	England.	United States.
1877	1,235,785 1,097,174 784,968	865, 865 491, 427 610, 682 852, 196 1, 187, 770 1, 284, 967 1, 148, 709 996, 983 995, 471 1, 574, 703 2, 101, 904 1, 386, 277	1877	780, 006 807, 527 884, 511 1, 044, 382 1, 441, 719 1, 673, 649 1, 553, 380 1, 299, 670 1, 304, 127 1, 570, 620 2, 069, 400 2, 062, 784	800, 584 068, 773 629, 439 1, 674, 203 1, 674, 847 1, 477, 845 1, 375, 581 1, 510, 450 2, 900, 190 2, 966, 665 2, 511, 161
Total in 12 years	9, 968, 454	12,980,054	Total in 12 years	16, 401, 688	18,005,000

Under the protective duty of 1870 the United States soon manufactured annually a much larger quantity of steel than Great Britain, and reduced the price from \$100 per ten in gold to less than \$55 per ten in gold.

2. English steel for locomotive tires imported in 1855, duty paid, was 34 cents per pound in gold. The American competition, under a heavy protective duty, had by 1872 reduced the price to 13 cents per pound, duty paid. At the present time (1889) American steel for locomotive tires, of as good quality as the English steel formerly imported, is furnished at 44 cents per pound and delivered free of cost at the point where the locomotives are manufactured. The lowering of price was not a voluntary act on the part of the English manufacturer. It was the direct result of American competition under a protective duty—a competition that could not have been successfully inaugurated under free trade.

2. In the year 1889, the last under a free-trade policy, the population of 31,000,000 in the United States bought carpets to the amount of \$12,000,000. Nearly half of the total amount was imported. In 1888, with a population estimated at 63,000,000, the aggregate amount paid for carpets was nearly \$90,000,00, and of this large sun less than \$1,000,000 was paid for foreign carpets, and about half a million for Oriental rugs. Does any free trader in England believe that the United States without a protective tariff could have attained such control of its own carpet manufacture and trade? It will not be unnoticed, in this connection, that under a protective tariff, the population, by reason of better wages, was enabled to buy a far greater proportion of carpets than under free trade. Nor must it escape observation that carpets are now furmished to the American buyer under a protective tariff the population, in leather fabrics, in glass, in products of lead, of brass, of copper; indeed, the whole round of manufactures, it will be found that protection has brought down the price from the rate charged by the importers before protection in the whole round of manufactures, it will be found that protection has brought down the price from the rate charged by the importers before protection has leading the word of manufactures in Amer

free trade.*

Mr. Gladstone boldly contends that "keeping capital at home by protection is dear production, and is a delusion from top to bottom." I take direct issue with him on that proposition. Between 1870 and the present time considerably more than 100,000 miles of railroad have been built in the United States. The steel rail and other metal connected therewith involved so wast a sum of money that it could not have been raised to send out of the country in gold coin. The total cost could not have been less than \$500,000,000. We had a large interest to pay abroad on the public debt, and for nine years after 1870 gold was at a premium in the United States. During those years nearly 40,000 miles of railway were constructed, and to import English rail and pay for it with gold bought at a large premium would have been impossible.

abandoned if the export of gold to pay for the rails had been the condition precedent to their construction. But the manufacture of steel rails at home gave an immense stimulus to business. Tens of thousands of men were paid good wages, and great investments and great enrichments followed the line of the new road and opeued to the American people large fields for enterprise not theretofore accessible.

I might ask Mr. Gladstone what he would have done with the labor of the thousands of men engaged in manufacturing rail, if it had been judged practicable to buy the rail in England? Fortunately he has given his answer in advance of the question, for he tells us that "in America we produce more cloth and more iron at high prices, instead of more cereals and more cotton at low prices." The grain growers of the West and the cotton growers of the South will observe that Mr. Gladstone holds out to them a cheerful prospect! They "should produce more cereals and more cotton at low prices" Mr. Gladstone sees that the protective system steadily tends to keep up the price of "cereals and cotton," and he asks that manufactures of "cloth and iron" be abandoned, so that we may raise "more cereals and more cotton at low prices." Mr. Gladstone evidently considers the present prices of cereals and cotton, as "high prices."

Protectionists owe many thanks to Mr. Gladstone for his outspeken mode of

low prices." Mr. Gladstone evidently considers the present prices of cereals and cotton as "high prices."

Protectionists owe many thanks to Mr. Gladstone for his outspoken mode of dealing with this question of free trade. He gives us his conclusions without qualification and without disguise. The American free trader is not so sincere. He is ever presenting half tu this and holding back the other half, thus creating false impressions and leading to false conclusions. But Mr. Gladstone is entirely frank. He tells the laborers on protected articles that they would be better engaged in "raising more cereals and more cotton at low prices." Where does Mr. Gladstone suggest a market for the additional grain and cotton to be raised by American mechanics becoming farmers and increasing the production of those great staples? The foreign market is filled with a competing grain supply to such a degree that already the price of wheat is unduly lowered to the Western farmer. The farmer needs a still larger home communition of his grain while Mr. Gladstone thinks he needs a still larger home production. The legitimate involvement of Mr. Gladstone's argument is that all mechanical and manufacturing enterprises in America producing articles of higher price than the same produced in Europe should be abandoned, and the laborers so engaged should be turned to the production of more cereals and more cotton at low prices"! The Western farmer's instinct is wiser than Mr. Gladstone's philosophy. The farmer knows that the larger the home market the better are his prices, and that as the home market is narrowed his prices fall.

Mr. Gladstone's pregnant suggestion really exhibits the thought that the deep in the British mind: that the market he market the mode and that the thought that the mode and the laborers are deep in the British mind: that the mode and the hought that the mode and the prices in the prices had the market the deep in the British mind: that the mode and the hought that the mode and the mode and the laborers are lar

larger the home market the better are his prices, and that as the home market the better are his prices, and that as the home market ket is narrowed his prices fall.

Mr. Gladstone's pregnant suggestion really exhibits the thought that lies deep in the British mind; that the mechanic arts and the manufacturing processes should be left to Great Britain, and the production of raw material should be left to America. It is the old colonial idea of the last century, when the establishment of manufactures on this side of the ocean was regarded with jealousy by British statesmen and British merchants. Some years he fore the Revolutionary struggle began Parliament had declared that "the erecting of manufactories in the colonies tends to lessen their dependence on Great Britain." A few years later the British Board of Trade reported to Parliament that "manufactures in the American colonies interfere with profits made by British merchants." The same body petitioned Parliament that "some measures should be provided to prevent the manufacturing of woolen and linen goods in the colonies." Finally Parliament declared that "colonial manufacturing was prejudicial to the trade and manufactures of Great Britain." These outrageous sentiments (the colonists characterized them much more severely) were cherished in the time of the glorious Georges, in the era of Walpole and the elder Pitt.

I do not mean to imply that Mr. Gladstone's words carry with them an approval, even retrospectively, of this course toward the colonies, but there is a remarkable similarity to the old policy in the fundamental idea that causes than in 1889 to suggest that Americans produce "too much cloth and too much from," and should turn their labor to "low-priced cereals and low-priced coton." Are we not justified in concluding that Mr. Gladstone's theory of free trade, in all its generalizations and specifications, is fitted exactly to the condition of Great Britain, and that British hostility to American protection finds its deep foundation in the fact—to

cial to the trade and manufactures of Great Britain," that "it lessens our dependence upon Great Britain," and that "finterferes with profits made by British merchants"?

Mr. Gladstone makes another statement of great frankness and of great value. Comparing the pursuits in the United States which require no protection with those that are protected, he says: "No adversary will, I think, venture upon saying that the profits are larger in protected than in unprotected industries." This is very true, and Mr. Gladstone may be surprised to hear that the constant objection made by American free traders against the "protected industries," as he termathem, is that the profits derived from them are flegitimately large. Mr. Gladstone sees clearly that as a rule this is not true, and he at once discerns the reason. He says "the best opinions seem to teatify that in your protected trades profits are hard pressed by wages." The free traders of America try by every cunning device to hide this fact. Its admission is fatal to their cause. Not one free-trade organ or leader among them all dares to take his , sition beside Mr. Gladstone and plainly tell the truth to the American laborer. Not one free-trade organ or leader dares frankly to say to the great body of American workmen that the destruction of protection inevitably and largely reduces their daily wages. I thank Mr. Gladstone for this testimony, at once accurate and acute. It is fair to presume that he intends it to be applied to the unprotected manufacturer in England and to the protected manufacturer in America, both producing the same article. His logic gives, and I have no doubt truly, as large profit to the manufacturer of England, selling at a low price, as to the manufacturer of America, selling at a high price—the difference consisting wholly in the superior wages paid to the American mechanic.

There is another important effect of protective duties which Mr. Gladstone does not include in his frank admission. He sees that the laborers in what he calls the "protec

down together.

Mr. Gladstone makes another contention, in which, from the American point of view, he leaves out of sight a controlling factor, and hence refers an effect to the wrong cause. Regarding the advance of wages in England he says: "Wages which have been partially and relatively higher under protection have become both generally and absolutely higher, and greatly higher, under free trade." I do not doubt the fact, but I venture to suggest that such advance in wages as there has been in England is referable to another and a palpable cause—namely, the higher wages in the United

"In spite of these facts, President Cleveland made the following statements, which I quote from his free-trade message to Congress in December, 1867:

"Our present tariff laws, as their primary and plain effect, raise the price to consumers of all articles imported and subject to duty, by precisely the sum paid for such duties. Thus the amount of the duty measures the tarpaid by those who purchase for use these imported articles. Many of these things, however, are raised or manufactured in our own country, and the duties now levied upon foreign goods and products are called protection to these home manufacturers to make these taxed articles and sell them for a price equal to that demanded for the imported goods that have paid customs duty. So it happens that, while comparatively a few use the imported articles, millions of our people who never use and never saw any of the foreign product, purchase and use things of the same kind made in this country, and pay therefor nearly or quite the same enhanced price which the dity adds to the imported articles."

I recall this quotation primarily for two reasons: First, Mr. Cleveland stands without a rival at the head of the free-trade party in the United States, and it is instructive to see how exactly he adopts the line of argument used by the English free trader. Second, it is a valuable admission from the head of the free-trade party when he affirms that "comparatively a few of our people use imported articles," and that there are "millions of our people who never use and never saw any of the foreign products." In what words could the complete success of the protective policy in the United States be more fitly expressed?

But when Mr. Cleveland asserted that our people pay for our domestic fabrics "nearly or quite the same enhanced price which the duty adds to the interest of foreign importers to deceive the people. Mr. Cleveland's satements.

India-rubber goods are protected by a duty of 25 per cent; but instead of those goods being 25 per cent higher in price than

ent.

Patent leather is subject to a duty of 20 per cent; but patent leather is not, therefore, 20 per cent higher in the United States than elsewhere. On the contrary, it is cheaper. Five years ago the city government of London advertised for bids for a large amount of patent leather to be used in connection with the uniforms of the police. There were bids from several countries, but the lowest bid was offered by a manufacturer of Newark, N. J. He secured the contract and furnished the goods at a fair profit.

Steel rails are selling in London for 27 per ton. The duty is 315 per ton. The price, therefore, in the United States ought to be, according to Mr. Cleveland's doctrine, 250 per ton. But, in fact, the price is but 250 per ton, and during the last summer and autumn was as low as 25 per ton, and large sales were made at 250 per ton.

Boots and shoes are subject to 30 per cent duty. According to Mr. Cleve-

were made at \$30 per ton.

Boots and shoes are subject to 30 per cent duty. According to Mr. Cleveland they should be 30 per cent higher than the foreign article. As a matter of fact they are cheaper. American boots and shoes hold the Canadian market against the European manufacture.

Examples of this kind could be shown on almost the whole tariff list where an American manufacture is firmly established. In fact, the whole history of protection has vindicated what Alexander Hamilton said of it when he was at the head of the Treasury: "The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience."

Mr. Hamilton thus effectually answers both Mr. Gladstone and Mr. Cleveland.

States, which have constantly tempted British mechanics to emigrate, and which would have tempted many more if the incurement of an advance in which would have tempted many more if the incurement of an advance in which would have tempted many more if the incurement of an advance in which would have tempted many more if the incurement of an advance in which would foller in the country became firmly protective by the enactment of the Morrill tariff. It will be found, in both cases was directly due to the firm establishment of protection in this country as a national policy. But it must be forgotten that American in both cases was directly due to the firm establishment of protection in this country as a national policy. But it must be forgotten that American in the country as a national policy. But it must be forgotten that American in the country and the world of the proper store who pay the advanced wages, and more clearly than do certain policial economists who think the world of commerce and manufactors can be unterringly directed by a theory evolved in The soal of Mr. Gladatone for free trade reches its highest point in the declaration that "all projection is morally as well as economically bad." He declaration that "all projection is morally as well as economically bad." He question of morals. But his assection leaves him in an attitude of personal inconsistency. There is protection on sea as well as on land. Indeed, the multi-many country is the projection of the country of the

The opposition to the policy of extending our foreign commerce by aiding steamship lines with a small sum, just as we have aided internal commerce on railroads with a vast sum, originates with the American free trader. Mr. Gladstone can not fail to see how advantageous the success of this free-trade

effort in the United States must prove to Great Britain. The steady argument of the free trader is that, if the steamship lines were established, we could not increase our trade because we produce under our protective tariff from England. How, then, can the free trader explain the fact that all long list of articles manufactured in the United States find ready and large sale goods. Transportation from England to Quebec or Montreal is cheappend in Canada? The Canadian tariff is the same upon English and American from the manufacturing centers of the United States to the same points. The difference is not great, but it is in favor of the English shipper across the seas, and not of the American shipper by railway. It is for the free trader to explain why, if the cost of transportation be made the same, the United States can not compete with England in every country in South America in all the articles of which we sell a larger amount in Canada than England does. I append a note naming the American articles sold in Canada, and the free trader, if candid, will admit that the list is one which is constantly and rapidly increasing.*

Giving heed to the cry of the professional free trader in America, Mr. Gladstone feels sure that, though the protected manufacturers in the United States may flourish and prosper, they do so at the expense of the farmer, who is in every conceivable form, according to the free-trade dictum, the helpless victim of protection. Both Mr. Gladstone and the American free trader have, then, the duty of explaining why the agricultural States of the West have grown in wealth during the long period of protection at a more rapid rate than the manufacturing States of the East. The statement of the free trader can be conclusively answered by referring to the ceanus of 1890, together with New York and Pennsylvania) returned an aggregate wealth of \$1.23,00,000. Twenty years afterwards, by the census of 1890 (protection all the while in full force), these same States returned an aggregate return of wealth

West and South, nave prospered even beyond the manufacturing sections, East and North! And all this not merely with protection, but because of protection!

As Mr. Gladstone considers protection immoral, he defines its specific offense as "robbery." To have been fully equal to the American standard of free-trade vituperation, Mr. Gladstone should have denounced our manufacturers as "robber barons." This is the current phrase with a class who are perhaps more noisy than numerous. The intention of the phrase is to create popular prejudice against American manufacturers as growing rich at the expense of the people. This accusation is so persistently repeated that its authors evidently regard it as important to their cause. It may perhaps surprise Mr. Gladstone to be told that out of the fifty largest fortunes in the United States—those that have arrested public attention within the last ten years—certainly not more than one has been derived from protected manufacturing; and this was amassed by a gentleman of the same Scotch blood with Mr. Gladstone himself. The forty-nine other fortunes were acquired from railway and telegraph investments, from real-estate investments, from real was a captured from railway and telegraph investments, from real-estate investments, from reclaim the import and sale of foreign goods, from banking, from speculations in the stock market, from fortunate mining investments, from patented inventions, and more than one from proprietary medicines.

It is safe to go even farther and state that in the one hundred largest fortunes that have been viewed as such in the past ten years not five have been derived from the profits of protected manufactures. The origin will be found in the fields of investment aiready referred to. Moreover, the fear of the evil effect of large fortunes is exaggerated. Fortunes rapidly change, with us wealth seldom lasts beyond two generations. There is but one family in the United States recognized as possessing large wealth for four consecutive generations. When Mr. Je

existence.

In no event can the growth of large fortunes be laid to the charge of the protective policy. Protection has proved a distributor of great sums of money, not an agency for amassing it in the hands of a few. The records of our savings banks and building associations can be appealed to in support of this statement. The benefit of protection goes first and last to the men who earn their bread in the sweat of their faces. The auspicious and momentous result is that never before in the history of the world has comfort been enjoyed, education acquired, and independence secured by so large a proportion of the total population as in the United States of America.

^e The following articles of American manufacture are sold in Canada more largely than like articles of English manufacture:

Brass goods, copper goods, cordage, ginghams, bottles, flasks, india-rubber goods, printing ink, ingrain carpets, wood manufactures, twines, tinware, ship rigging, wall paper, writing paper, envelopes, blank books, strawboard paper, boots and shoes, leather and skins, sole leather, leather goods, patent leather, figured oilcloths, grain drills, harrows, harvesters, hoes, forks, mowing machines, scythes, apades, shovels, builders' and cabinetmakers' hardware, house-furnishing hardware, nais, firearms, sewing machines, screws, stoves, axes, jewelry (sterling and plated), silverware, lamps, locomotives, hatchets, hammers, saws, mechanics' tools, organs, pianos, "notions," plain house furniture, especially hotel furniture.

Contested Election Case-Murray vs. Elliott.

SPEECH

HON. WILLIAM A. JONES,

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 3, 1896.

The House having under consideration the following resolutions:

"Resolved, That William Elliott was not elected and is not entitled to a seat in the Fifty-fourth Congress from the First Congressional district of South Carolina.

"Resolved, That George W. Murray was elected and is entitled to a seat in the Fifty-fourth Congress from the First Congressional district of South Carolina."

Mr. SPEAKER: The duty has been devolved upon me of presenting the side of the sitting member in this contested election case I regret exceedingly that in a case of its importance, a case which necessitates the examination of so much testimony as this, one in which is involved the right of a member to a seat in this House, should happen that I alone of the members of the committee that examined this case can appear for the contestee. My associate upon the committee, Judge DE ARMOND, who is justly recrate upon the committee, Judge DE ARMOND, who is justly regarded by this House as a fair-minded man and a lawyer of exceptional ability, and who had intended to take part in this discussion, has been suddenly called to the bedside of a dying brother in the State of Iowa. I much regret that he can not be here to give to the House the benefit of his well-considered views upon this case.

I can not expect, Mr. Speaker, in the time that is to be occupied in the discussion of this case, to present the side of the minority as fully as it should be done. I may state in the outset that I regret exceedingly what I am sure every fair-minded man in this House must regret as much as I do, that although there is an elaborate report by the majority of the committee, that report makes no reference to the testimony, of which the record is full, that was taken on the part of the contestee. Nor did my friend from Indiana [Mr. Overstreet] deign so much as to refer to that testimony in the speech which he has just concluded. It would seem that if the report had been intended to shed any light upon the that if the report had been intended to shed any light upon the case, rather than make out a case upon paper for the contestant, it should at least have contained some comment upon the evidence produced by the contestee if no part of that evidence was quoted. But in this respect the gentleman who has just addressed the House has been no fairer than his report. He has occupied more than an hour and a half of your time, and he has studiously avoided even a reference to the fact that the record contained a line of any other testimony than that produced by the contestant. I submit that this House, which must pass upon this case, had a right to expect fairer treatment at the hands of the gentleman who has just addressed it. So far as the House knows from anything that it may have learned from either the report of the majority or the speech of my friend, the contestee permitted his majority or the speech of my friend, the contestee permitted his case to go by default. How far from the truth this is I hope to be able to show.

Now, Mr. Speaker, reference has been made to the fact that the district from which this contest comes is known as the black district of the State of South Carolina. It has been said that there was a majority of 20,000 negro voters in this district. It has also been said that the larger portion of this district was once comprised within what was formerly known as the Seventh district a district not a stranger to Congress, since there had been three contests from that district in the past. These statements were made with the evident design and purpose of prejudicing the case of the contestee, when, as a matter of fact, that part of the district from which this contest comes, where it is pretended that there was not a fair and honest election, was never a part of the old Seventh district.

old Seventh district.

The city of Charleston, where it is claimed there was no honest and fair election, was never a part of the Seventh district, and the contests which have been dragged into this case for no other purpose than to create prejudice against the contestee had no relation to any election ever held in Charleston. Whilst it may be true, although there is no evidence of that fact, that there are 20,000 negro majority in this district, it is also true that of that majority 18,000 reside in the counties outside of Charleston. There are less than 2,000 negro majority in the city of Charleston, and yet the committee throw out the entire vote of 20 precincts in Charleston or better ground then the precender new of negro voters.

as to the manner in which the registration was held and the vot-

as to the manner in which the registration was held and the voting done, my learned friend is obliged to abandon that county and to fall back upon the city of Charleston, where there were less than 1½ colored voters to 1 white voter.

In the county of Georgetown, to which particular reference has been made, and upon every single election board in which there was a Republican representative, there are 3 colored men to 1 white man who is entitled to vote, and it is conceded that the election there was a fair one. If the gentleman's reasoning be sound he should apply it to the 5 counties outside of Charleston, and instead of giving the contestant, Murray, the paltry majority of 434 he should give him at least 10,000. If this case is to be decided upon the theory that most of the negroes of voting age voted. of 434 he should give him at least 10,000. If this case is to be decided upon the theory that most of the negroes of voting age voted, and that they all voted for Murray, then he should be given at least 10,000 majority. If Colonel Elliott had received the negro vote in the counties where there were such immense negro majorities in the same proportion that the uncontradicted evidence shows he did in Charleston, his majority would have been something like 10,000 in the district. thing like 10,000 in the district.

Imerely mention these facts in order to impress upon the House that it will not do to decide this case upon the bare fact that there were more negroes of voting age in Charleston than there were white voters. For if you do that, and you pursue the same course as to the remainder of the district, you will have a very different result from that arrived at by the committee.

Mr. HARDY. Will the gentleman allow me to ask him a question? He states that if the vote had been cast properly Colonel Elliott would have a majority of 10,000 in the district. Is that

your statement?

Mr. JONES. No; I did not say that. I said that, according to the reasoning employed in this report, he should have.

Mr. HARDY. How could Colonel Elliott get a majority of 10,000 in the district, when there were only 9,563 votes cast in the district—3,913 for Murray and 5,650 for Elliott?

Mr. HONES. Livil state to the contlement how he could get it.

Mr. JONES. I will state to the gentleman how he could get it.
Mr. HARDY. I know how he got what he did get—
Mr. JONES. Had he received the same proportion of negro
votes in the counties that he is shown by the evidence to have received in Charleston his majority would have been very much larger than it was.

Mr. HARDY. The colored men were prevented from registering because they were colored men and Republicans, and those who did register were prevented from voting.

Mr. JONES. I am now discussing the theory of the majority.

I shall discuss the facts as they exist presently. The majority have entirely ignored the facts. One of the charges made is that in the city of Charleston there was not a fair registration, and that if there had been a fair registration Murray would have been elected. It is not contended that a single vote was counted for the contestee that he was not honestly entitled to. Nor is it contended that there was a single vote cast for the contestant that the managers of the election did not honestly count for him. The contention is that there were in that city six or eight thousand colored voters, and that by reason of the operation of the South Carolina election law, and the improper conduct of the officers of registration, those colored voters were not permitted to register.

The evidence of the contestant does not sustain this charge, and the record is full of testimony taken on the part of the contestee that utterly disproves it. The negroes of Charleston were not united in the support of Murray. The evidence of the contestant united in the support of Murray. The evidence of the contestant shows that many of them remained away from the polls, and that Colonel Elliott received the support of at least half of them, and that that half comprised the more respectable element. and that that half comprised the more respectable element. The committee say in their report that with the exception of some dissatisfaction on the part of a barbers' association in the city of Charleston it is not shown that there was any dissatisfaction or disaffection as to the contestant in that city. There was wide-spread and deep-seated disaffection among the colored people of this district as to the contestant. The record is full of the testimony of the most reputable colored people in the city of Charleston, of colored men who are not members of the barbers' association referred to, which clearly establishes that there was widetion referred to, which clearly establishes that there spread dissatisfaction on the part of the negro voters of Charleston with Murray.

Let me tell the House why this dissatisfaction existed. The convention which nominated the contestant, as shown by the record in this case, was composed of 30 delegates. Eighteen of those delegates were sent from the city of Charleston and the county of Beaufort, and every one of them was unseated by the contestant and his friends. How this was done I am unable to explain, but it is in evidence and uncontradicted that it was done. The entire delegation from the city of Charleston, which had been chosen at a primary, and which was opposed to Murray, was unseated and driven from the convention by the contestant, who now claims that with the exception of a barbers' association in Charleston ton on no better ground than the preponderance of negro voters and find no fault with the election in the counties where that preponderance is far greater.

In the county of Beaufort, in this district, where there are 9 negro voters to 1 white voter, after the most searching examination of the most intelligent of the contestant's witnesses testified that

ex-Congressmen Smalls and Miller, as well as the chairman of the Republican party in Beaufort County, where all three of them resided, were delegates to the nominating convention. They were all unseated in the interest of Murray, who was not even a resident of the district which he wished to represent in Congress.

After having procured the nomination by such means it is not surprising that the men who had received this treatment refused to support Murray or to regard him as their candidate. But the majority of the committee say the dissatisfaction only extended to a barbers' association. Let us see whether that be true or not. Here is the testimony of H. G. Thomas:

Q. State whether you are a member of the Republican or Democratic party.
A. I am a Republican.
Q. How long have you been a member of the Republican party?
A. From its organization in the State after the reconstruction.
Q. State whether or not you have been prominent in politics during that tiln

Q. State whether or not you have been prominent in politics during that time.

A. I have been.
Q. Did you vote for the Republican candidate for Congress, George W. Murray, on the 5th day of November last?
A. I did not.
Q. Give your reasons for not voting for him.
A. I did not regard Mr. Murray as the regular legal candidate of the Republican party, and did not regard him as a citizen of the district.
Q. Do you know whether Mr. Murray is a citizen of Charleston?
A. To my own knowledge I do not know, but he is not generally regarded as a citizen of Charleston and of this district.
Q. State, if you know, whether the colored people of Charleston took much interest in his election.
A. A large number did, mostly of persons who could not vote at a general election, not being qualified, and a large number of persons who is regarded as the rabbie element of the community.
Q. State whether the intelligent colored people of the city of Charleston supported him.
A. As a rule they did not, but some of them did.

The contestant, as a matter of fact, was at the time of the elec-

The contestant, as a matter of fact, was at the time of the elec-The contestant, as a matter of fact, was at the time of the elec-tion a citizen of the Seventh Congressional district and actually then representing that district upon the floor of this House. He did not reside in the First district when the election took place, but lived in Sumter County, in the Seventh district, and was rep-resenting that district in the Fifty-third Congress. The colored people of Charleston were opposed to him because he was not a resident of their city; and because, moreover, he had obtained his presented of companying the propagating avery single depretended nomination by fraudulently unscating every single delegate from the city of Charleston as well as those from the county egate from the city of Charleston as well as those from the county of Beaufort. Is not, I ask, that a sufficient ground for the dissatisfaction that existed in the city of Charleston as to this contestinant? Every one of the prominent colored politicians of this district, so far as I have been able to discover, was actively and earnestly opposed to his election.

Mr. OVERSTREET. Will the gentleman yield for a moment? I will ask you if it is not a fact that one of these witnesses testified that Mayrora lived in the source precipical with his part of the county of the source precipical with the source precipical country.

I will ask you if it is not a fact that one of these witnesses testified that Murray lived in the same precinct with him, and that he voted with him on election day at his precinct?

Mr. JONES. If the gentleman so asserts, I will accept his statement. I do not remember any such testimony. Some one withness out of the hundreds who testified may have said something of that kind, but the testimony is absolutely overwhelming to the effect that Murray was a resident of the Seventh Congressional district; that he lived at Sumter, in that district, and that he was actually representing that district upon this floor when the election took place. It does not matter what any one witness may have said. There are the proven facts. It is well known by members here that he was at the time of the election actually representing the Seventh district upon this floor, and it is to be

But we are not left to presumptions. The record is full of the testimony of reputable witnesses that the contestant did not reside in Charleston or in the first district, of which it is and was a part. The negroes of that city did not look upon him as a resident, and the more intelligent ones in that city and district refused to support and did not support him. Gentlemen on that side of the House may adopt theories and indulge presumptions based upon the fact that there are more colored than white voters in Charleston, and those theories and presumptions may satisfy their consciences; but the stubborn fact remains that the negroes of Charleston, as shown

by the evidence of colored men, were in a great measure opposed to Murray and refused to support him.

Here is the testimony of one W. A. Thomas. He testifies that he is a Republican and that he has never been a member of any other political party.

Q. Did you or not vote for Congressman on the 6th day of November last?
A. Yes.
Q. For whom did you vote?
A. For Colonel Elliott.
Q. Why did you not vote for the Republican candidate?
A. Because is objected to him.
Q. Why did you object to him?
A. Because at the time he was not considered a resident of the district he wanted to represent; and, furthermore, he was not my choice of candidate, and a generally understood antipathy that he had for a man that was not a black man, the color question being brought into the campaign.

The record shows that the colored curvation formed in this close.

The record shows that the colored question figured in this elec-tion in a somewhat unusual and novel way. It was generally

understood that the contestant had an antipathy for a colored man whose skin was merely brown or yellow. He is himself a black man, and because he hated brown people, those of that color,

it seems, would not support him.

Mr. OVERSTREET. Mr. Speaker, I desire to call attention to the evidence to which I referred awhile ago, as the gentleman did not seem familiar with it, the testimony of W. D. P. Arnan, on page 303 of the record. He says:

I was acting as chairman of managers at the Federal poll, Ward 2, first precinct, on 6th November last.

He was asked:

Q. Was Congressman Murray there that day?
A. Yes, sir; on three or four occasions; he voted there; he spoke to me; he knew me, and he said, "We have had a very quiet election, everything has passed off quietly"; and, in fact, he met me almost every day for three or four days after the election and spoke to me about it; he was living in the neighborhood was the reason that I saw him so often.
Q. Are you positively sure that Mr. Murray voted there that day?
A. I am positively sure.

That is the evidence that I spoke of as showing that Mr. Murray was a resident of the district and voted in the city at that election.

Mr. JONES. My friend reads that bit of testimony, which he says is the testimony of one of the contestee's witnesses. I congratulate him upon the fact that I have at last induced him to refer to some of the evidence which the contestee has introduced into this case

Mr. OVERSTREET. Did I not refer to the testimony of Rob-

son, one of the witnesses of the contestee?

Mr. JONES. In your report you do not refer to him or his testimony. But the witness whose testimony you have read was not testifying as to Murray's residence. He merely remarked incidentally that he lived in his neighborhood. He was there, I know, looking after his canvass, and that is all the witness meant to say. Here, Mr. Speaker, is the testimony of another witness, J. J. Young. He was examined upon this very point. He was asked the direct question as to whether Murray was or was not regarded as a resident of the First district. Here is his testimony:

as a resident of the First district. Here is his testimony:

Q. Are you a colored or white man?
A. I am a colored man.
Q. Are you a Republican or Democrat?
A. I am a Republican.
Q. How long have you been a Republican?
A. Ever since I have been allowed to vote in South Carolina and have been a citizen of this State. I have been here since 1850.
Q. State whether or not you have taken an active part in politics during all these years.
A. I have taken an active part in all elections, having been a manager and supervisor at various times.
Q. Have you ever held any official position under the Republican party of this State?
A. I have held the position of deputy coroner, have been port warden, light-house keeper, and also bailiff at the United States court.
Q. Do you held any office in the colored regiment of the State?
A. Yes, sir; I am colonel commanding the Second Regiment of the National Guard.

A. Yos, sir; I am colonel commanding the Second Regiment of the National Guard.
Q. State whether you voted for Murray at the Federal poll on the 6th day of November last.
A. I did not vote at the Federal poll either for Mr. Murray or Mr. Elliott.
Q. Are you a registered voter of the city of Charleston?
A. Yes, sir [and shows his registration certificate].
Q. State whether you have always been a registered voter.
A. Yes, since 1882.
Q. Have you ever had any trouble in getting your certificate?
A. No, sir.
Q. Does any intelligent and respectable colored man have any trouble in getting a registration certificate?
A. I can't say that. I have never had any trouble in getting mine.
Q. Were the better class of the colored people of the city of Charleston—I mean the intelligent colored people—in favor of Mr. Murray?
A. I don't think they were.
Q. Was Mr. Murray considered the regular Republican candidate by the colored people of this city?
A. By a large majority of us he was not.
Q. Did they consider him a resident of this district?
(Objected to as leading.)
A. No, sir: I did not, and a great many others did not.
This is the testimony of an intelligent colored man, the com-

This is the testimony of an intelligent colored man, the com-This is the testimony of an intelligent colored man, the commander of a regiment of the National Guard, a man who has filled four important trusts under a Republican Administration, and he declares under oath that the contestant was not the choice of a large majority of the colored Republicans in the city of Charleston, and was not regarded by them as a resident of the district. I will also read the testimony of D. L. Adams, a Republican, the chairman of the Congressional Republican committee is that district. This man whose testimony I am now about to read in that district. This man whose testimony I am now about to read was not only a colored man and a Republican but he was the chairman of the Congressional Republican committee of the district. Surely his testimony should be accepted by my Republican friends over there.

Q. Are you a Republican or a Democrat?
A. I am a Republican.
Q. How long have you been a Republican?
A. Always have been.
Q. State whether you hold any position of prominence in the Republican.

A. Up to the last election I was Congressional chairman of the Republican party, and also I am still Congressional chairman until the matter is settled. I mean there were two conventions in the city of Charleston and the matter has got to be settled by the State executive committee.

- O. For how many years have you been active and prominent in politics?

 A. Some twenty-five years.
 O. And you have been a Republican during all this time?
 A. Yes, sir.
 O. State whether you voted at the Congressional election on the 6th day of November hast.
 A. Yes, I did; but for neither of the candidates; I voted a blank ballot.
 O. Why did you not vote for Mr. Murray?
 A. Because he was not my choice and I said I would not vote for him, and that is why I did not.
 O. Did you consider him the regular candidate of the Republican party?
 A. No; I did not.
 O. Why did you not?
 A. Because he was not nominated by the regular convention.
 O. Who was nominated by the regular convention?
 A. Smalls was.
 O. Were the members of the regular convention unanimously in favor of Mr. Smalls, and in opposition to Mr. Murray?
 A. No, sir.
 O. Were a great many of them?

- Were the headers.

 Were a great many of them?

 Were a great many of them?

 Managerity was in favor of Mr. Smalls and he got the majority of votes.

 Was not this the case with them at the election?

 I can't say, for I took no part in the election.

 State whether or not you generally take a great deal of interest in the stions.

- clections.

 A. This is the first one where a Republican candidate was running and I did not take any interest in it.
 Q. Do you consider Mr. Murray a resident of this district?
 A. No; I never have.
 Q. Do you know where his home and his family are?
 A. I don't know now, but I know up to that time that it was in Sumter
- County.
 Q. Is that in the First or Seventh Congressional district?
 A. Sumter County is in the Seventh.

I am not aware, Mr. Speaker, that any of the witnesses whose names and testimony I have read belong to the barbers' association to which we are told the dissatisfaction with Mr. Murray was confined. Here is the testimony of still another witness, Hastings Gantt. He testifies that he was a representative in the State house of representatives for fourteen years. This is what he says

- Q. Whom did you support for Congress from this district at the last election—November 6, 1894?
 A. I voted for Colonel Elliott.
 Q. Do you mean William Elliott, the contestee in this cause?
 A. I don't know what meaning; I know I voted for him for Congress.
 Q. Did you vote for William Elliott, of Beaufort, S. C., who was one of the andidates for Congress?
 A. Yes.
- A. Yes.
 Q. Did you give him your support for Congress at the last election?
 A. The time was so short that I could not give him the proper support that

- Did you give him your support for Congress at the last election?

 A. The time was so short that I could not give him the proper support that I should.

 Q. Did you give him the best support you could in the time?

 A. Yes; I did.

 Q. Are you a Democrat or a Republican?

 A. Republican.

 Q. Why did you support William Elliott and oppose George W. Murray, when Murray was the Republican candidate?

 A. I supported Mr. Elliott because he got upon the stand and explained to the people at that meeting that he was the one that used every effort to establish the navy station in this district. That's one. The next particular one is that he succeeded in passing a law giving the former owners of these lands their money, and let we, the people, keep the land, who have got it. I say, when he has done that much for us, knowing, as I do, that the land could be taken from us, I say I could not do otherwise than vote for him for Congress, with thanks to him for doing it. And the candidate against him was not in this district, and it was known that he lived in another district.

 Q. Were you in the legislature fourteen years as a Republican?

 A. Yes.

 Q. Do you know if other Republicans on St. Helena Island also supported Col. William Elliott for Corgress?

 A. Yes; there are other Republicans who supported him on this island?

 A. I know a good deal more supported him this time than in the past.

 The testimony of this witness is very long, and I can not take

The testimony of this witness is very long, and I can not take the time to read it all, but he shows that there was great dissatis-faction among the Republican colored men with the candidacy of the contestant. I have here also the testimony of York Smalls, another colored man who does not belong to the Barbers' Association. He testifies that large numbers of colored people were so dissatisfied with the way the nomination was secured by a candidate who was not a resident of the district that they would not support him and that many of them voted for the contestee. I will not take up the time of the House by reading it.

Then here is the testimony of Oliver Middleton, another colored man, a colored farmer living in Beaufort County. He was asked:

- man, a colored farmer living in Beaufort County. He was asked:

 Q. Who did you support the last election day for Congress?

 A. I supported Col. William Elliott for Congress.

 Q. Did a large number, to your knowledge, support Col. William Elliott at this precinct?

 A. Yes; the biggest he ever got here yet.

 Q. Were they Republicans or Democrats that supported him?

 A. Republicans.

 Q. Are you a member of the Grand Army of the Republic?

 A. Yes; old soldier.

 Q. Please state the regiment and company to which you belonged during the late war.

 A. Company H. Twenty-first.

 Q. Twenty-first Volunteers or Regulars?

 A. Twenty-first Volunteers.

 Q. To what camp of the Grand Army of the Republic do you belong?

 A. Hunter Post, No. 9, at Beaufort.

 Q. Mention, if you know of any, what prominent Republicans supported Col. William Elliott, the contestee, on this island.

 A. I can tell you there is William Capers, York Small, Robert Middleton, Senate Meyers, and a good deal of them boys—Simon Mitchell, Sancho Mitchell,

- Abel Pope, July Middleton, Julius Middleton; a good deal more, but I can't
- Aber rope, shift studies on, Junus Midneson; a good dear more, but I can't remember all now.

 Q. Why did they vote against and work against George W. Murray when he was the Republican candidate?

 A. Because all the boys were started out to vote for General Small: after General Small was defraud then all the boys turned and said they will give Colonel Elliott their vote.
- But, Mr. Speaker, if I can produce the testimony of probably the leading colored man in the city of Charleston, a Republican now and always, a man who was put upon the stand by the contestant himself for the purpose of showing that he was the choice of the colored Republicans of Charleston and that he had received their united support, but who testified to just the contrary, I think I can justly claim that I have made out my case upon this point
- I read now from the testimony of W. H. Robertson, who swears that he is a cabinetmaker and upholsterer, colonel of the First Regiment of National Guard of South Carolina, and acting brigadier-general of the First Brigade, National Guard, of that State. He voted for Murray, and his testimony must be accepted by him, since he is his own witness.
- I ask the careful attention of the House to the testimony of this man as I now read it:
- Q. Give your name, occupation, and state whether or not you hold any official position; and if so, state what it is.

 A. W. H. Robertson; cabinetmaker and upholsterer; I am colonel of the First Regiment National Guard of South Carolina, and now acting brigadier-general of the First Brigade National Guard of South Carolina.
 Q. Are you a registered voter of the city of Charleston?
 A. I am.
 Q. How long have you been connected as an officer of the National Guard of South Carolina?
 A. From its formation, in 1869.
 Q. Are you acquainted generally with the intelligent and business colored people of the city of Charleston?
 A. I am.

- Q. Are you acquamted generally with the intengent and business colored people of the city of Charleston?

 A. I am.
 Q. Have or not your relations with them been of such character as to know the political feeling that oxists among them?
 A. To a great extent.
 Q. Whom did they support at the last election for Congress between William Elliott and George W. Murray?
 A. Both of them.
 Q. I mean whom did the majority support?
 A. I am not able to say.
 Q. Whom did you support?
 A. George W. Murray.
 Q. There were, during the canvass, two factions of the Republican party in the city of Charleston, were there not?
 (Objected to as Isading.)
 A. Yes.
 Q. How, or in what manner, was a settlement between the two factions made?
- made?
 A. By the national executive committee
- This man is one of the leading colored men of South Carolina. He was once chairman of the waterworks committee of Charleston. But I will read the remainder of his testimony:

- ton. But I will read the remainder of his testimony:

 Q. General, as a matter of fact, you hold as high a position of honor in the military circles as any colored man in the State, do you not?

 A. I do.

 Q. Have you not always held a position of honor and been well thought of and respected by the citizens of Charleston generally?

 A. I have: I've held the position of alderman of this city and supervisor of High School of Charleston for two years.

 Q. The High School of Charleston is a white school, is it not?

 A. Yes; and was elected to the city council of Charleston, and was chairman of the committee on waterworks of the city.

 Q. And have always been a Republican?

 A. Always.

 Q. Do you know R. C. Brown, colored attorney in this city?

 A. I do.

 Q. What official position does he hold in the Republican party at this time?
- - I do.

 What official position does he hold in the Republican party at this time?
 Congressional chairman of this district.
 Is he not also well thought of here?
 To the best of my knowledge.
 Was he not bitterly opposed to Mr. Murray?

 - He was. Do you know J. H. Legaré? I do.

- Q. Do you know J. H. Legaré?
 A. I do.
 Q. Is he not also well thought of by the colored people, and a leading and intelligent colored man?
 A. He is; he is adjutant of my regiment.
 Q. Was he not also bitterly opposed to Mr. Murray?
 A. He so expressed himself to me.
 Q. Did he not even vote for Mr. Elliott?
 A. Not to my knowledge.
 Q. Do you know D. L. Adams?
 A. I do.
 Q. Is he not a leader among the colored people, and does he not hold a high office in the Republican party?
 A. He does.
 Q. Then a great many of the leading intelligent colored Republicans were opposed to Mr. Murray?
 A. They were divided upon that head.
 Q. You finally got your certificate, did you not?
 A. I did.
 Q. You saw no fraud yourself while at the registration office, did you?
 A. I saw none.
 Q. And you could not say whether a majority of the colored people were in favor of or opposed to Mr. Murray?
 A. They were equally divided, to the best of my knowledge.
 Now, Mr. Speaker, there were about 8,000 colored voters in
- Now, Mr. Speaker, there were about 8,000 colored voters in Charleston, and there were some 6,000 white voters in that city, and this contestant's witness placed on the stand by him to disapprove the charge that the colored people were divided at this election, testifies to the best of his belief and from a thorough

knowledge of the colored people of that city, that they were equally divided in their support of Murray and Elliott. Suppose you give, on this testimony, one-half of the colored voters of that city to Elliott. If you do you will increase his majority largely over that given him by the election boards. The gentleman who so ably, astutely, and adroitly opened the case for the contestant did not deign to refer to this testimony. He dismissed the subject by saying that there was no disaffection of any consequence on the part of the colored people of this district toward the contestant; that what little there was was confined to a colored barber's asset. that what little there was was confined to a colored barber's association. I have dwelt upon this somewhat in order to illustrate the unfairness with which the majority have treated the testi-

I have read to the House the whole testimony of the colored commander of the colored brigade of South Carolina, one who has been chairman of the city waterworks committee of Charleston, one who has always been a Republican, and who voted for Murray, and who was put on the stand by Murray.

Mr. OVERSTREET. Will the gentleman permit me?

Mr. OVERSTREET. Will the gentleman permit me?
Mr. JONES. Certainly.
Mr. OVERSTREET. Be kind enough to explain what kind of a division it was in the colored vote of Charleston when Murray was given but 397 out of a total vote of 6,000.
Mr. JONES. I will, with pleasure. I have shown already that a number of the very men who testify did not vote for either party to this contest. The testimony in the record shows that the colored voters in the main kept away from the polls and refused to vote, because they had no candidate. Of the comparatively few who voted, many voted for Colonel Elliott. There was not half of the white vote of Charleston cast at this election, because it was not supposed that Colonel Elliott had any serious opposition. But why do you adopt one rule in the city of Charlescause it was not supposed that Colonel Elliott had any serious opposition. But why do you adopt one rule in the city of Charleston and a different one in the counties? If you are going to take the census and count for Murray all the colored people of voting age in Charleston, why do you not count all in Beaufort for him? There the preponderance of colored people is as 9 to 1, and there the colored people remained away from the polls just as they did in Charleston, and for less reason. You utterly failed to secure any testimony in that county upon which to throw out its vote, and you have had to abandon the contest there. You have none that is reliable as to Charleston, but you say the testimony as to the manner of holding the election there justifies your action, and when it is shown that the testimony amounts to worse than nothing, you fall back upon the census and stolidly maintain that nothing, you fall back upon the census and stolidly maintain that a negro always votes the Republican ticket, even when he swears that he does not. But how absurd is this contention when it is shown by your own witness that the colored vote was equally divided, and it can not be shown that a single white vote was cast for the contestant

Mr. OVERSTREET. If he got 2,800 white votes, what became of the colored votes, as he only received 2,811 votes in all

in Charleston?

in Charleston?
Mr. JONES. He got all the white votes cast. If he got as many colored votes as Murray received, then only about 2,400 of the 6,000 whites voted, for all who went to the polls voted for Elliott. The white voters turned out badly as well as the blacks. Mr. HARDY. Will the gentleman permit a question?
Mr. JONES. Well, my time is limited, as the gentleman knows, and his questions are usually very long.
Mr. HARDY. I wish to ask this question: In the county of Charleston there are said to be 8,000 colored voters and 6,000 white voters. Mr. Elliott received 2,811 votes. Presumably these were white votes, and maybe some of his colored friends, but out of 8,000 colored votes only 397 were cast for Murray. Now, what became of the 7,603 colored voters who did not vote at all? Did you disfranchise them by your nefarious and unconstitutional regyou disfranchise them by your nefarious and unconstitutional reg-

you distranchise them by your nefarious and unconstitutional registration law, so that they were not permitted to vote at all?

Mr. JONES. How does the gentleman account for the fact that in the large negro county of Georgetown, where you admit the election was fair, Murray received only about 700 votes? The colored voters remained at home in Georgetown, Beaufort, and other counties, and they did the same thing in Charleston.

Mr. HARDY. Eleven hundred.

Mr. JONES. Exactly 743 votes were cast for Murray in the county of Georgetown.

county of Georgetown.

Mr. HARDY. I can answer the gentleman's question.
Mr. JONES. I decline to be further interrupted.
Mr. HARDY. The gentleman has propounded a question, and I want to answer it.

Mr. JONES. I decline to be interrupted. Mr. HARDY. Will you not allow me to answer your own ques-

Mr. JONES. I will not be interrupted. I am not going to allow the gentleman to make another speech in my time. He has done enough of that already.

Mr. HARDY. I simply wanted to answer your question.

Mr. JONES. The point I make is this: The majority have singled out the city of Charleston, where there are very few more

colored people than there are whites and where the colored vote was larger in proportion than it was in the country districts, and have assumed, without evidence upon which to base the assumption, that because Elliott received more votes in Charleston than tion, that because Elliott received more votes in Charleston than his negro contestant did, there was something wrong about the election. I say the same reasoning ought to apply more strongly to the country districts, with the vote of which you can find no fault. Complaint is only made against Charleston, where there is a far less preponderance of colored voters than is to be found in the countries that were formerly in the Seventh district—countries. the counties that were formerly in the Seventh district—counties from which contests, as you say, have come in the past. Think of this! There are 9 blacks to 1 white in Beaufort County. You took testimony there, and after the most searching investigation you abandoned the charges of fraud which had been made against the officers of election in that county and ask this House to believe that the loyalty of the colored voter to the Republican party is confined to Charleston, where, comparatively, they are not so numerous as in other parts of the First district.

You do this because you are driven to this course in order to

numerous as in other parts of the First district.

You do this because you are driven to this course in order to take away the seat of a Democrat who was fairly elected and give it to a negro who was not elected. Upon your theory Murray should have been given by you 2,000 majority in Charleston, and 18,000 in the remainder of the district, but instead of this you content yourself with figuring out for him a bare majority of 434.

He is entitled to 2,000 in Charleston if he is entitled to the 217

that are given him there; and if you are going to proceed upon the theory that every man is a Republican whose skin is black—if, in spite of the fact that a colored voter swears on the Holy Evanspite of the fact that a colored voter swears on the Holy Evangelists that he did not vote the Republican ticket, you are going to hold that he did vote it—you ought to give the contestant 20,000 majority, and not cut down his majority to 487, as you have done. If you are going to count some of the colored voters for Murray merely because they are colored men, then you should have enough regard for consistency and decency to count all of them for him. There is just as much reason for counting all as there is for counting any part of them. ing any part of them.

The report of the committee states that the chief ground of contest is the "alleged fraudulent conduct of the supervisors of registration, whereby many voters were deprived of their right to register, and the fraudulent and intentional mistakes in the registration certificates, which occasioned the rejection of the ballots." Now mark you, the report states this as the chief ground on which this contest is based. Yet when my friend from Indiana discussed the testimony bearing upon the registration he used

these significant words:

When I refer to this testimony, it is not to place this case upon that testi-

Well may he make this admission! To throw out twenty pre-cincts upon such testimony as is to be found in this record would be to commit the grossest outrage ever perpetrated by blind

be to commit the grossest outrage ever perpetrated by blind partisanship.

There are 25 witnesses who testify as to the manner in which the registration was conducted—1½ to a precinct. They are all ignorant, and most of them are without occupation. There is not one of them whose testimony is not rebutted by from one to three witnesses of character, good standing, and intelligence. Many of them make contradictory statements, and some of them are shown to be the associates of thieves and gamblers. One of them is shown by overwhelming testimony to have deliberately and knowingly perjured himself. Against that testimony the contestee has set the testimony of men of high character and standing in that community, men whose testimony has not been attacked or impeached, and, I take it, it can not be. and, I take it, it can not be.

Those witnesses in the main do not testify to the time that they offered to register. They do not testify as to the circumstances under which they were rejected. It does not appear even from their testimony whether they were properly or improperly rejected. And as to every single one of these witnesses, as I have said, the contestee has introduced testimony absolutely refuting

their statements. their statements.

I will read the testimony of one of the witnesses relied upon by the gentleman from Indiana. I submit that if this witness were uncontradicted his testimony would afford no excuse for throwing the president at which he desired to yote. I out the entire poll at the precinct at which he desired to vote. will read all of his testimony in chief:

Q. Give your name, age, and residence.
A. Alexander McNeill; aged 39 years; reside at No. 63 King street.
Q. State where you were on the 6th day of November last?
A. At Federal poll, Ward 5, precinct 2.
Q. At what time did you arrive and how long did you remain at that poll?
A. I got there between 3.30 and 4 o'clock and remained until the poll closed.
Q. Did you vote there that day?
A. No, air; they would not allow me.
Q. Did you have a registration certificate?
A. Yes, sir.
Q. The registration certificate that you had, did you try to have it changed?
A. I did, every Monday in the month until they finished and closed the fine.

Q. Did you see the supervisor at any of the times you went there?
Yes, sir; and when it came on late the police would drive us away That is the testimony of one of the witnesses referred to and relied upon by my friend. This witness states that he had a registration certificate. The law of South Carolina provides that where a man changes his residence, although he may have a certificate, he must surrender that certificate and be registered again. He does not state that he had not changed his residence. He simply states that he went there and they would not allow him to vote. But I appeal to the lawyers in this House to say, even if this witness was improperly denied the right to vote, whether the whole poll at his precinct should be thrown out and hundreds of legal voters disfranchised on that account? The most that this House can do if it be thought that this man was improperly denied the right to vote and that he would have voted for the contestant had he been allowed to vote, is to count his vote for the contestant. had he been allowed to vote, is to count his vote for the contestant. There can be found no warrant either in law or justice for the course which is advocated by the majority of the committee. To throw out this and other precincts upon such testimony as this, even were it admitted to be true, would be the greatest of outrages. I may as well say now and here as later that if every voter who

claims to have been refused the right to vote, or that it is claimed by anybody was not permitted for any cause to vote, were to have his vote counted by this House for the contestant, he would then lack more than a thousand votes of enough to elect him. Unless the number of voters whose rights have been denied is large enough to materially affect the result, such denial can not vitiate the elec-tion. That is the well-established doctrine upon this subject; so that if we concede that the managers of the election improperly refused those who are shown to have offered to vote, or who would refused those who are shown to have offered to vote, or who would have offered but for the knowledge that they would be refused, it would not vitiate the election. The majority of the committee would have counted the votes of such persons as this witness quick enough had there been enough of them in all to elect the contestant. There were not enough, and so they concluded that since he must be given a seat in this House the only way to do it was to throw out a sufficient number of polls to accomplish the result desired.

At Haut Gap precinct, in Berkeley County, there was no regular poll opened on the day of the election. The managers appointed did not appear. To remedy this the negroes appointed three of their number managers of election and caused a poll to be opened. At this improvised election there were 217 votes cast for Murray and none for Elliott. The entire committee are of the opinion that these votes should be counted, and they go to make up the 434 majority which the majority of the committee give Murray. Without these votes, which I concede to belong fairly to the contestant, his majority, as the majority of the committee have figured it out, would be only \$17.

would be only 217.

Mr. Speaker, it is but proper that I should add that it was no Mr. Speaker, it is but proper that I should add that it was no fault of the contestee that the election managers did not open a poll at Haut Gap precinct. The contestant, as the record shows, made every possible effort to have the polls opened at all the precincts in the district and especially at this precinct. In the speech made by the chairman of this committee [Mr. McCall of Massachusetts] in the Johnson vs. Stokes case a few days ago—a case that also came here from South Carolina—that gentleman said—I read from the Congressional Record:

Furthermore, Mr. Speaker, there is nothing in the record, no evidence any where, that there was any special wrongdoing in connection with the election on the part of the contestee or on the part of any of the sitting members in these south Carolina contests. In one district, certainly, where they had not for years opened certain polls, where the black voters are greatly in the majority, the contestee, Mr. Elliott, before the election was held came out and urged that all the polls be opened, and it was against his protest that the polls were closed on that day.

Mr. Speaker, in the other cases from South Carolina that have been before this House, all of which were considered by the Elections Committee of which I am a member, the registration laws and the method of executing those laws played a much more important part than they do in the case now under consideration. portant part than they do in the case now under consideration. Gentlemen should not permit any impressions that may have been made upon their minds concerning the registration of voters in South Carolina to prejudice them in this case. On the 24th day of December, 1890, the legislature of South Carolina provided for a new registration of voters in the city of Charleston. All persons registered prior to that date in the city of Charleston were required to register in order to be able to vote at any election. Before the passage of this act, which only applied to Charleston, it had been held throughout the State of South Carolina that all persons old enough and entitled to register in the year 1882, and who did not then register, were not thereafter entitled to vote. It was this construction of the registration law of South Carolina which gave rise to so much complaint, and it was to remove this just cause of complaint that the legislature passed the act I have just alluded to. Why it was not made applicable to the entire State I do not know.

The SPEAKER. The time of the gentleman has expired.

Mr. BELL of Texas. Mr. Speaker, I ask to be recognized, and
I yield to my colleague such portion of the time I am allowed as e may desire.

Mr. JONES. Mr. Speaker, under the act of December, 1890, a new registration took place in the city of Charleston. Three gentlemen of high character, of social and business standing and reputation, were appointed to hold this registration. I am informed, and it is so stated in one of the briefs filed by counsel, that they were all bank presidents. They sat continuously for three months in the city of Charleston in the year 1891. They moved the place of registration from point to point in order that every man, white and black, in the city and entitled to register might have an opportunity to do so.

The record shows that there were at least 4.721 colored voters

The record shows that there were at least 4,721 colored voters registered in Charleston on the day of the election. In other words, there were registered more than 4,000, more colored voters

in Charleston than the contestant received votes.

Mr. OVERSTREET. From what source does the gentleman get that information?

Mr. JONES. I get it from this source: It appears from the record that the certificate of one of the voters who actually voted was numbered 11213. As there were only 6,492 white persons of voting age in Charleston, and presuming for the sake of this argument that all of them were registered, the difference between that number and 11,213 is 4,721. There must have been at least 4,721

colored people registered, and there were doubtless many more.

Mr. OVERSTREET. And that list of registration certificates
would include the certificates issued by all the supervisors after

All of them, I think, after 1890.

Mr. OVERSTREET. All of them after 1882?
Mr. JONES. No, sir; not atall; because the law provided that every one of the old certificates should be surrendered, and that no man could vote in the city of Charleston unless he had a certificate issued after that date. The holder of certificate No. 11213 registered after the year 1890, or else he would not have been owed to vote

Mr. OVERSTREET. Now, then, were there not certificates by Cantwell alone and by George W. Williams alone, and when you compute the number, you must compute those issued by all the

various registration commissioners?

Mr. JONES. My reply to that is that the certificate of which I have spoken was issued by the board of commissioners. The board sat prior to the appointment of Cantwell and Williams, Mr. OVERSTREET. Another question—

But does that answer you sufficiently?

Mr. JONES. But does that answer you summently?
Mr. OVERSTREET. No, sir. Is it not a fact that when a certificate issued under the law of 1882 was surrendered under the new registration law, the supervisors, when a new one was issued

in its stead, took the same number as the old certificate?

Mr. JONES. No, sir; there is not a line in this record to that effect, and I am informed by gentlemen familiar with the opera-tion of this registration law that it is not true. It appears from the evidence in the record that the board of commissioners registered the bulk of those entitled to vote in Charleston during

before they closed their books no one appeared to be registered.

Mr. OVERSTREET. Is it not true that the Charleston News and Courier, the morning after the election, stated that there were not 3,500 registration certificates issued by the new board?

not 3,500 registration certificates issued by the new board?
Mr. JONES. I do not know whether that is true or not. I
never heard it before.
Mr. OVERSTREET. Well, I know it is true.
Mr. JONES. I do not know and I do not care what the Charleston News and Courier, or the Boston Journal, or the New York
Herald, or the Washington Post, or any other paper said about it.
Mr. OVERSTREET. Is not the Charleston News and Courier
the leading Democratic paper of South Carolina?
Mr. JONES. I do not know whether it is or not, and if it were
it would have no bearing upon this case.

would have no bearing upon this case.

Mr. OVERSTREET. You are deficient in political informa-

Mr. OVERSTREET.

Mr. OVERSTREET. You are deficient in political information. [Laughter.]
Mr. JONES. There is not a single word in this record to the effect that the News and Courier published anything on the subject, and if my friend from Indiana, able lawyer as he is, wants the House to try this case upon what he says appeared in the Charleston News and Courier, but which is not in the record, I can only express my surprise. When the gentleman has to fall back upon newspaper rumors to sustain his case he must feel that his cause is indeed a desperate one. If the News and Courier ever published anything in regard to the registration law of South Carolina it does not appear in the record, and I shall not travel outside of that.

But, Mr. Speaker, I will read some of the testimony in the record bearing upon this subject, and I will read from that given by one of the contestant's own witnesses.

The record which I hold in my hand contains a thousand pages. How many colored men testify in this record in the interest of the contestant I am unable to say, but this I do say: There is not a single witness for the contestant who assails the fairness of the

registration in the city of Charleston made under the act of 1890. There is not a witness who testifies for the contestant who has dared to say that the registration conducted by the board of commissioners in Charleston was not fairly and honestly conducted.

I call my friend's attention now to the testimony of one of his

own witnesses, H. W. Purvis. This witness testifies as strongly as any witness in this case in favor of the contestant, and he is certainly one of the most, if not the most, intelligent of all his witnesses. He says of himself:

I have lived in Charleston County about seventeen years; I was a member of the legislature in 1868-1870; was special agent of Treasurer Department; adjutant-general of South Carolina for four years; was inspector of customs in 1871; deputy United States revenue collector and inspector of customs in 1880-1884; clerk in internal-revenue office, 1881.

That man ought to be a pretty good Republican, ought he not? We did not put him upon the stand. He is a witness for the contestant. Here is what he testifies to, and I want to call special attention to it. There is a part of this testimony that some of my friends from South Carolina will probably repudiate, but that portion of it which applies to Charleston no man testifying in this case has undertaken to assail or contradict. He was asked this

During the four years previous to the last election, what have you seen at the supervisor of registration's office?

From the enactment of the law in 1882 up to the appointment of the commission of George W. Williams, Smalls, and O'Neil in 1880, who were appointed under an act to revise the registration in Charleston County, the whole system of registration, as far as the colored citizens are concerned, has been a shameful apology for registration, which I think any honest man would bear me out in saying. Under the commission I believe everybody was fairly dealt with, and none were refused who were entitled to register.

It will be observed that the witness states that from 1882 up to 1890 the whole system in South Carolina had been a shameful apology for registration; but when he comes to registration under the commission he says:

Under the commission I believe everybody was fairly dealt with and none were refused who were entitled to register.

Mr. Speaker, the gentleman from Indiana in the speech which he has just made assails the fairness of the registration made in Charleston, but not one of his witnesses has done so directly. Some ignorant negroes testify that they were refused registration certificates, but they do not tell the circumstances under which the refusals were made, and even their testimony—vague and indefinite as it is—is contradicted in every material particular.

I have shown out of the mouth of the most intelligent witness

for the contestant that the registration was absolutely fair, and that no man who had a right to register was refused registration. In addition to that, it is clear that there were over 4,000 more colored people registered in Charleston than voted for the contestant. The only way by which this registration is attempted to be assailed is by showing that in 20 precincts a total of 25 people were not allowed to vote because they either did not have certificates or their certificates were improperly made out. All that can possibly be claimed is that those men would have voted for Murray had they been permitted to vote. Give their votes to Murray and give him every other vote of every negro who claims that for any cause whatever he was not permitted to vote for the contestant, and you can not elect him by 1,000 votes. Do not outrage justice and decency by throwing out the entire vote at 20 precincts and disfranchising 2,400 legal voters. To do this is to pay too dear a price for one seat in Congress, even if it is to be given to a negro contestant, when you already have an enormous

majority of 150.

My friend from Indiana referred to the testimony of Alexan-My friend from Indiana referred to the testimony of Alexander McNeill, Scipio Brown, Edward Grant, and James Carter. Even if these witnesses were uncontradicted, they prove nothing. They do not state when they got their certificates, and if they got them prior to 1891 they had no right to vote and were properly rejected. But as I have already shown all that could possibly be claimed is that the votes of these witnesses should be counted for the contestant.

counted for the contestant.

There is no testimony showing improper conduct on the part of the managers of the election in Charleston. It is only claimed that 6 votes more than were actually received by the contestee were counted for him and I will speak of those later on.

What is true of the testimony of the witnesses referred to by the gentleman from Indiana is true of all who testified for the contestant. The testimony of everyone of them is rebutted. The contestee has by no means allowed this case to go by default against him; but in many instances where the contestant has contestee mas by no means anowed this case to go by default against him; but in many instances where the contestant has offered the testimony of but one colored man the contestee has met that testimony with the testimony of as many as three intelligent and honorable white men. The report of the committee studiously and purposely avoids any mention of this testimony. The majority of the committee cite testimony as if that testimony stood uncontradicted, and ask this House to judge this case.

apon that evidence. The Fifty-first Congress has been the subject

of much bitter criticism for the manner in which it disposed of or much inter criticism for the manner in which it disposed of contested election cases. I have taken the pains to examine those cases, and I say without fear of contradiction that there was not a case decided by the Fifty-first Congress where its action was so open to just criticism as will be the action of this House if it adopts the report of the majority of the committee.

In this connection there is one matter that may as well be referred to now. Justice to the contestee as well as justice to this House requires that I mention it. It is that whilst my friend from Indiana has referred to his report as the report of the committee, and he may be right in thus speaking of it, he knows the difficulty he experienced in getting it out of the committee. He knows also, as I know, that when the vote was taken on this case in committee, however members may vote now, the resolution unseating the contestee was adopted by a bare majority of one vote, He also well knows that two of the Republican members of the committee have up to this moment refrained from expressing in committee any opinion upon the case. If either of them thinks

committee any opinion upon the case. If either or them thinks the contestant ought to be seated I am unaware of that fact. I have consumed much time in discussing the charges against the manner in which the registration was conducted. The charge is also made that no Republicans represented the Republican party on the election boards in the city of Charleston. That is true. The election law of the State of South Carolina does not provide for party representation on these boards, and the party in control in the city of Charleston did not put any colored people on the boards. The managers, or rather the commissioners of election, have testified that the Republicans did not make application for representation in time to enable them to put Republicans on the various boards, had they desired to do so.

But, Mr. Speaker, however that may be, is this House to be asked to declare the election held in certain precincts in Charleston void upon this ground? No man of ordinary intelligence and fairness will make any such contention. It must, however, be clear to everybody that if the election is to be vitiated in any precinct for this reason it must be set aside in every one where the same conditions existed. There can be no denying this propo-

It is urged as another objection to the manner in which the election was held in Charleston that there were Democratic challengers present at the various polling places. This is true, and it is equally true that there were representatives of the contestant present at all of the precincts, whether called challengers

Mr. OVERSTREET. Will the gentleman be kind enough to point out from the record where that statement appears?
Mr. JONES. I will.

Mr. OVERSTREET. Do you undertake to say that there were representatives of the contestant in all of the precincts in this election at Charleston?

Mr. JONES. I will undertake to show that in every single one

Mr. OVERSTREET. Does the gentleman not know that there was not a representative of the contestant allowed in a single precinct in Charleston save one?

Mr. JONES. What do you mean by "in" the precincts?
Mr. OVERSTREET. I mean allowed in the polls, where the
Democratic challenger was allowed to go.

Mr. JONES. The gentleman now presents an entirely different proposition. I say the contestant had representatives at the polls in all of these precincts. I do not say that they were actually within the rail

Mr. OVERSTREET. Of course he had all of his voters at the

Mr. JONES. He had men there to represent his interests. Many of them have testified that they had lists prepared in advance. They stood as the contestant's representatives at the polls, and asked to be permitted to witness the count as his representatives. The record shows this. But, Mr. Speaker, suppose the record did not show it; suppose the contestant had no representatives at the various polls, what is more common, I ask, than the presence of challengers at the polls? I undertake to say that not one-tenth of the States in this Union have passed laws specifically providing for the presence of challengers at the polls. And yet there is scarcely a State in the Union, or any precinct, where they are not permitted. Unless it can be shown that the presence of these challengers resulted in injury to the contestant the bare fact that there were challengers can not be made the excuse for throwing out the vote of 20 precincts. Mr. JONES. He had men there to represent his interests

throwing out the vote of 20 precincts.

Mr. HARDY. Will you yield to me for a question?

Mr. JONES. I will yield for a question, but not for another

Mr. HARDY. Only a question, and a pertinent one. I would ask the gentleman if he claims or contends that the election in this district of South Carolina was honest and fair and resulted honestly in the election of Colonel Elliott?

Mr. JONES. I will say in reply to that question that I believe

that Colonel Elliott is as fairly, as honestly, and as legally entitled to his seat on this floor as any man in this House.

Mr. HARDY. Now, I wish to fellow that up by another question. That was simply preliminary. I will ask the gentleman, as a member of the Committee on Elections, if he did not sign the report in the contested election case of Johnston vs. Stokes, to be effect that Mr. Stokes was legally elected as a member of this the effect that Mr. Stokes was legally elected as a member of this House and was entitled to the seat; and that when it came to a vote if he did not vote the other way, declaring that there was no legal election in the district in question and declaring the seat

Mr. JONES. I am glad the gentleman has asked me that question. I will answer it by saying that when it became evident to me, and those who thought as I did, that the Republican majority me, and those who thought as I that the Republican majority in this House intended to repudiate a report permitting a Democrat to retain the seat to which I believed him honestly elected, and to give that seat to a Republican who was not, in the opinion of a Republican committee, entitled to it, I, with other Democrats and many Republicans, voted to declare the seat vacant. I did what every sensible man would have done under the circumstances— I voted to declare the seat vacant to prevent your side of the

I voted to declare the seat vacant to prevent your side of the House from perpetrating a greater wrong.

Mr. HARDY. They must have been Mugwumps.

Mr. JONES. They were Republicans, with as good standing as yourself in the Republican party, and they are your equals if not your superiors in every respect. [Applanse.] Gentlemen came to us on this side and gave us to understand that there was no hope of having the House decide that Stokes should retain his seat. They said, "There are gentlemen on our side who do not believe that Johnston was elected, but if you force them to say that either he or Stokes is entitled to the seat they will vote Tohnston, but they are willing to yote if the opportunity is given that either he or Stokes is entitled to the seat they will vote for Johnston, but they are willing to vote if the opportunity is given them that there was no election." In deference to that statement we consented to vote that there was no election. Being in the minority we accepted the situation. I will say further in this connection, if the gentleman will pardon me, that this contested election case comes from South Carolina. This Republican House has, in the case of Johnston vs. Stokes, very recently decided the election laws of South Carolina to be propositively and election laws of South Carolina to be unconstitutional.

Mr. HARDY. If it is unconstitutional in that district is it not unconstitutional in all?

Mr. JONES. That is just the point. This Republican House has decided that no valid election could be held in the Seventh district of South Carolina because the election laws of South Car-

district of South Carolina because the election laws of South Carolina are unconstitutional. How, then, can you say that the contestant in this case is elected, when the election was held under the very laws that you have only a day or two since declared to be unconstitutional? In the Johnston-Stokes case you solemnly declared that no valid election could be held under the election laws of South Carolina.

Mr. HARDY. Does the gentleman want this House to vote that there was no election in the district represented by Colonel Elliott?

Mr. JONES. I want this House to do what is right and just. I have already said that I believe Colonel Elliott to have been fairly and honestly elected. The Democrats are but a small minority in this body. They have no power to decide these cases, and so are not responsible for any decision that may be made. But if you gentlemen want to be consistent; if you want to observe the oaths that you took when you came here; if you want But it you gentlemen want to be consistent; if you want to observe the oaths that you took when you came here; if you want to do what is honest and right; if you still believe that the law of South Carolina is unconstitutional, as you held it be two days ago, and that no valid election can be held under it, you will do violence to your oaths and you will destroy every semblance of consistency by putting a man in this House who, even were he elected, was elected under the very law which you have repudited.

Mr. OVERSTREET. Will the gentleman undertake to say that because a law is unconstitutional, therefore no election was held?
Mr. JONES. I never said anything of the sort. I contend that this law is not unconstitutional to such an extent as would render this election null and void, but I say that the House of Representatives, in which the Republican party has a majority of 150, has solemnly declared that the law was unconstitutional, and that no valid election could be held under it.

Mr. OVERSTREET. The gentleman voted that way, did he

Mr. JONES. I did, for the reasons I have given.
Mr. OVERSTREET. Will the gentleman be kind enough to
state to us who the gentlemen were who made that bargain with

him in the Johnston-Stokes case?

Mr. JONES. I insist, Mr. Speaker, that the gentleman has no right to speak of the representations made gentlemen on this side of the House by gentlemen on his side as a bargain.

Mr. OVERSTREET. You stated that they had made an agree-

Mr. JONES. I think the gentleman is reflecting upon his col-leagues when he makes this insinuation. I have already informed

him why the Democrats joined with a number of his Republican associates in voting the seat from the Seventh district of South Carolina vacant. It was the only choice left us. The representa-Carolina vacant. tions made us, and upon which we unhesitatingly acted, came from some of the leading, most intelligent, and most honorable men on your side of the House, and believing them to be the honmen on your side of the house, and believing them to be the honest opinions of honest and fair-minded men, we accepted them as such and acted upon them. We accepted the friendly suggestions made to us, not because we had any doubt about the election of Mr. Stokes, but because we became satisfied if we did not do so enough Republicans would follow your leadership to give a seat in this House to a man who the most intelligent Republicans upon the Elections Committee of which the gentlements. the Elections Committee of which the gentleman is a member

believed had no shadow of right to it.

Mr. OVERSTREET. Now, will the gentleman answer my question? When that proposition was made to the representatives upon your side of the House, it was agreed to by you, was

it not?

Mr. JONES. The gentleman may call it what he please was simply the statement of a fact which was apparent to most people. The votes that were taken convinced me, as they did verybody else, that whatever the action of the House might be Stokes would not be permitted to retain his seat. I was myself informed by a member from the State of New York, who was in no wise connected with the case, that, whilst he had voted that Johnston was not entitled to the seat, he should not vote that Stokes was. Statements like these induced the friends of Stokes to vote to declare the seat vacant.

Now, if you want to call that a bargain, if you want to reflect upon your Republican colleagues on the committee, you are welcome to get all the glory and honor and satisfaction out of it that

you can get.

Mr. OVERSTREET. The gentleman knows that I have asked him three different times if they carried out the agreement, and he knows he has failed in each instance to reply to my inquiry.

Mr. OVERSTREET. The gentleman knows that I have asked him three different has go far as I am per-

he knows he has failed in each instance to reply to my inquiry.

Mr. JONES. I say to the gentleman that so far as I am personally concerned I voted as the record shows I voted, and I did so because I became convinced that under his leadership a man was about to be seated in this House who had no title to a seat here. [Loud applause on the Democratic side.] I voted to send the election back rather than have you perpetrate that outrage, and I am pleased to be able to say that a large number of the leading Republicans on your side, including the distinguished chairman of the Committee on Ways and Means, voted as I did.

Mr. OVERSTREET. The gentleman does me an unusual honor.

Mr. OVERSTREET. The gentleman does me an unusual honor. I still want to ask him whether or not when that statement of facts was given to him the agreement was carried out by the men who made the agreement. I give you one more opportunity to

mr. JONES. And I answer the gentleman by saying that no agreement was made with me or with anybody else so far as I know. Enough Republicans voted with the Democrats to prevent the consummation of what we regarded as an attempt to commit an outrage. I presume they voted that way because they were not an outrage. I presume they voted that way because they were not willing to become parties to a political outrage. I believe they acted from the purest and the best motives.

Mr. OVERSTREET. Just one more question. The gentleman has said that I was reflecting upon the members of this side of the

has said that I was reflecting upon the members of this side of the Chamber. I simply want to inquire if it is not a fact that the men who supported that proposition, who were members on this side of the Chamber, voted as they already had voted, and made no change from the position which they had assumed when the entire Democratic side abandoned its position.

Mr. JONES. That absolutely is not true.

Mr. OVERSTREET. With the exception of the members of the

ommittee.

Mr. JONES. No vote was ever taken to test the right of Stokes to retain his seat. It never got that far. The reports from Elections Committee No. 3 show that three Democrats and two Republicans found that Stokes was entitled to retain his seat. I was one of those Democrats. One Republican held that there was no election, and three, yourself among the number, filed a minority report setting forth that Johnston was elected. Two of the Republican members of the committee voted throughout as I did. You say you did not intend to reflect upon the Republican members.

You say you did not intend to reflect upon the Republican members of the committee or other members on your side of the House, but you still insist that there was some bargain or agree-ment. It takes at least two parties to make an agreement; and if any corrupt agreement was entered into in the Johnston-Stokes case all who were parties to it must have been equally culpable. I have said I knew of no bargain or agreement. I deny that there was any. But I still maintain that if you seat the contestant in the case we are supposed to be now considering you will not only perpetrate a great wrong but you will stultify yourselves at the

I have heard that the contestant had to be seated because he was a black man.

Mr. WALKER of Virginia. I would like to know whom you heard that from?

Mr. JONES.

Mr. JONES. From everybody. Mr. WALKER of Virginia. Name one. Mr. JONES. The statement has been made all over this House,

and everybody understands that such is the case.

Mr. WALKER of Virginia. I would like you to name one member who said that the contestant should be seated because he a colored man.

Mr. JONES. I will say to the gentleman that numbers of members upon his side of the House have said it. It is not necessary to give names. If members desire their names published, they are here, some of them, within the sound of my voice, and they can speak for themselves. But this, Mr. Speaker, bears somewhat upon this question. This little clipping is from the somewhat upon this question. This little clipping is from the Washington Post. I will read it for the benefit of my friend from Virginia

Mr. WALKER of Virginia. I have read it.
Mr. OVERSTREET. Is that in the record?
Mr. JONES. I will give the House the benefit of it.

Mr. JONES. I will give the House the benefit of it.

A delegation of colored ministers from city churches called at the rooms of Election Committee No. 3 of the House yesterday to urge action in the contest to which George W. Murray, of South Carolina, is a party. The ministers were Rev. J. T. Clark, Rev. Daniel Morris, Rev. Alexander Wilbanks, Rev. J. Anderson Taylor, Rev. H. C. Robinson, Rev. Walter H. Brooks, Rev. A. Creditt, Rev. I. B. Bryant, and Rev. Robert Johnson. Col. Perry Carson, at whose suggestion the visit was made, accompanied the ministers. They were received by Chairman McCall, of the committee, and stated that they were interested in having Mr. Murray seated because the colored people, not only in the District but in the whole United States, were without a representative in Congress.

Mr. HARDY. If the Lord is for him, who can be against him? [Great laughter.]

Mr. JONES (continuing the reading):

Mr. McCall replied that the case was upon the House Calendar and would e reached as soon as possible.

Mr. McCall replied that the case was upon the House Calendar and would be reached as soon as possible.

[Renewed laughter.]

Now, Mr. Speaker, I also saw in the Washington Post of either this or yesterday morning that a great mass meeting of colored people had just been held somewhere in this city or near this city; that among the speakers who addressed the meeting was the contestant here, and that at the conclusion of the meeting, which was intended to boom Senator Allison, I believe, and was gotten up by Perry Carson and his admirers, a resolution was offered and unanimously passed appointing a committee of 10 persons to call upon the leading Republicans of this House to demand, with Perry Carson at their head, that this contestant be given the seat which he seeks—be given it upon the distinct ground that he is a negro and because the negro race has no representative in Congress. I hardly think my colleague will deny that he has heard the same statements that I have heard.

Mr. WALKER of Virginia. I have never heard any such thing anywhere from anybody.

Mr. JONES. I do not know why my friend has not heard them.

Mr. WALKER of Virginia. I have been where honest people are. [Laughter.]

are. [Laughter.]
Mr. JONES. I am glad to know it, and I hope the gentleman does not mean to insinuate that the people who made the state-

does not mean to insinuate that the people who made the statements were not honest.

Mr. WALKER of Virginia. No. The gentleman seemed to wonder where I had been that I had not heard such statements, and I thought I would tell him. [Laughter.]

Mr. JONES. I hope he does not mean to make any such insinuation as that, for it is a fact known of all men that great pressure has been brought to bear upon this House to put this negro in; that it has been stated far and wide that it "would not do" for a House with the great Republican majority that this has to in; that it has been stated far and wide that it "would not do" for a House with the great Republican majority that this has to adjourn without putting at least one colored man in a seat upon this floor. If this contestant is seated it will be done in deference to this sentiment and in obedience to this demand. There is no evidence in this record that will justify the throwing out of twenty of the precincts in the city of Charleston. To throw them out will be to commit one of the blackest crimes against the right

out will be to commit one of the blackest crimes against the right of suffrage that was ever enacted by any civilized body of men. I doubt seriously, Mr. Speaker, if there is a single Republican member of this House who would be willing to say that he had not been approached by the contestant or by some other colored man in his interest. Gentlemen, this case is now in your hands. Three of the four contested election cases from South Carolina have been disposed of. This is the last. I have examined the testimony in this case as carefully as it was possible for me to do. My connection with it is now at an end. My Democratic colleagues upon the committee agree with me that there has never been a case before our committee where any claimant to a seat in this House has shown a better right to that seat than Colonel Elliott has shown. Elliott has shown.

Mr. McCALL of Tennessee. Will the gentleman yield for a

Mr. JONES. Yes, sir.

Mr. McCALL of Tennessee. Is this the case in which one witness states that at the election in Charleston "Ben Harrison," "Bill McKinley," "Matt Quay," and "Tom Reed" were refused the privilege of voting? [Laughter.]

Mr. JONES. No; this is not that case. Nor is this the other noted case from South Carolina in which a colored man was connecting who was a minister of the gospal and who in replace the

noted case from South Caronia in which a cooled man was contesting who was a minister of the gospel, and who, in reply to the question, "What is your profession?" answered, "I am a minister of the gospel, a class-leader, and an extortionist." [Laughter.] This is neither of those cases. But in this case numbers of witnesses have testified for the contestant whose reputations for honesty and trutifulness would not begin to compare to those of the esty and tratardiness would not begin to compare to those of the witnesses to whom the gentleman from Tennessee and myself have called attention in the other cases from South Carolina. And it is upon the testimony of such men, contradicted and discredited in nearly every single instance by the testimony of reputable witnesses, bear it in mind, that this House is asked to seat the contestant in this case.

Not only are the contestant's witnesses contradicted by those placed upon the stand by the contestee, but the testimony of many of them is shown to be false by that of other witnesses who testify

of them is shown to be false by that of other witnesses who testify for the contestant. In many instances they contradict themselves. The contestant's witnesses in most cases, like his supporters, belonged to the "rabble element" of the colored population. If the evidence in this record establishes anything it proves beyond all question that the colored people of Charleston were bitterly opposed to the contestant; that he was not regarded by a large portion of them as their candidate or as a resident of the district; that many of those who voted at all voted for Colonel Elliott. It also shows that there is no ground for the pretense that colored voters were illegally refused excitation and that the that colored voters were illegally refused registration, and that the charge that the managers of the election acted fraudulently is without any foundation upon which to rest. Mr. Speaker, time will not permit me to examine in detail the evidence relating to the charge that the votes of 6 persons who, it is alleged, did not vote at the Congressional election were actually counted for the

These 6 alleged illegal votes were all cast, if cast at all, at three precincts in the city of Charleston. There is no sufficient proof in this record to show that any of the persons whose names appear upon the poll lists as having voted did not vote. But should it be thought that I could be mistaken in regard to this, then I say to you to throw out the entire poll at each of these precincts. Illegal voting care why a feet the realls whose that vertical does I flegal. you to throw out the entire poll at each of these precincts. Illegal voting can only affect the polls where that voting is done. If the results at these polls are entirely eliminated from the case it will not materially reduce the majority of the contestee. The only way by which his election can be defeated is to do as the committee have recommended in their report to be done—throw out the entire vote of 20 precincts in Charleston, where the election was fairly conducted and where there was a new registration law which was fairly and honestly administered. No other plan can be devised which will elect the contestant, and therefore this plan must be followed by the consequences what they may

be devised which will elect the contestant, and therefore this plan must be followed, be the consequences what they may.

Now, gentlemen, if it is so important to you politically to have a representative of the negro race upon this floor that you can afford to disregard every rule of evidence and of law to secure that end, then I suppose that you will seat this contestant. If the political exigencies are such as to require you to commit this great wrong, I suppose it must be done. If you have so quickly forgotten your action in another case from South Carolina, in which you declared that the election laws of that State were unconstitutional and that no valid election could be held under constitutional and that no valid election could be held under them, and you care nothing for either law or consistency, you have the power to rob Colonel Elliott of his seat and you can exer-

cise that power.

If you single out these 20 precincts in Charleston and throw them out upon such testimony as is to be found in this record you will commit such an outrage upon justice, right, and decency as I

will commit such an outrage upon justice, right, and decency as I undertake to say no House of Representatives in the history of this Government was ever before guilty of.

I am fully aware that I have not presented this case before you in such a manner as I would have liked to have done. It is not possible to review in two hours testimony covering a thousand closely printed pages. At least, however, I have given the House to understand that the testimony cited by the committee and relied upon by them to sustain their action is contradicted by other testimony in the record; in my judgment, and I believe in the judgment of every fair-minded man who has read it, not only contradicted, but absolutely and completely destroyed. The majority in this House may prefer to accept the testimony of ignorant and discredited negro witnesses to that of intelligent white witnesses of character and high standing. I can not and I will not do violence to my conscience and my sense of right by adopting any such course. any such course.

Here the hammer fell.] Mr. Jones took his seat amid loud applause on the Democratic Cuba.

SPEECH

HON. JOSEPH WHEELER.

OF ALABAMA.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 4, 1896.

The House having under consideration the report of the conference committee in reference to Cuban belligerency—

Mr. WHEELER said:

Mr. SPEAKER: In order to be a great nation and a great people we must so conduct our affairs as to be worthy of the respect of the world. Of all the civilized nations, although we are the youngest, we are the first in wealth, progress, population, and all other material elements which accompany greatness and power. But with all these we can not command the respect of the world But with all these we can not command the respect of the world unless by every act we show not only that we are willing but that we are determined to maintain our convictions, enforce our policies, and be true to the principles upon which this Government is based. [Applause.] Unless the world believes we are ready and willing, able and determined, to sustain our convictions, our policies, and our principles by force and by the sword, we must lose the prestige we have so long enjoyed and drop from the high place of the first nation of the earth.

We are a nation born with the spirit of the love of liberty, and every breeze that wafts o'er the mild waters of the Gulf of Mexico wafts with it appeals from a suffering people who have laid

we are a nation born with the spirit of the love of liberty, and ico wafts with it appeals from a suffering people who have laid down their lives, their fortune, and their sacred honor for the cause for which our forefathers laid down their lives, their fortunes, and their sacred honor; that is, the sacred cause of liberty. [Applause.] The question we are called upon to vote on is, Does war exist in the beautiful Isle of Cuba? That war most cruel and bloody now exists in that isle there can be no question. All that is asked is that we give belligerent rights to that struggling people; that we, as a great nation, believe that they may hoist the flag of liberty, that they may have the rights accorded to any patriotic people struggling for the boon of liberty.

What was our condition, Mr. Speaker, in 1775, when our forefathers left the plow and the shop, seized their trusty rifles, and offered their lives in the cause of liberty? Look back at our heroic fathers who fought at Lexington and Concord and Bunker Hill. They were a band of patriots who joined together to struggle against oppression, and they won. [Applause.] Until France recognized their belligerency they were not recognized by any people on earth as belligerents. They were defeated at Lexington, driven from Concord, defeated at Bunker Hill, driven from Boston, driven down to Long Island and defeated there. What a contrast in this respect between our forefathers and the victorious hands of Cuba! If our fathers were entitled to he recognized their benessed to the precognized them they were and they were and the victorious hands of Cuba! If our fathers were entitled to he recognized their believes they were not recognized they had a contrast in this respect between our forefathers and the victorious hands of Cuba! If our fathers were entitled to he recognized the processed the contrast in the processed them to the recognized them to the processed them to the recognized them to the processed them to the processed them to the processed them to the processed

Boston, driven from Concord, deteated at Bulker Hill, driven from Boston, driven from Concord, deteated at Bulker Hill, driven from a contrast in this respect between our forefathers and the victorious bands of Cuba! If our fathers were entitled to be recognized as belligerents, tenfold more are those struggling patriots of Cuba entitled to recognition and to liberty. They to-day have larger armies than our fathers had during their whole seven years' war for freedom. And yet, Mr. Speaker, people here say that the Cubans are not entitled to that recognition which would enable them to hoist their flag and would deprive the Spanish tyrants of their cruel claim that they have a legal right to shoot them down as banditti. I for one, Mr. Speaker, believe in a different policy from any that has ever been announced by the American people. The Monroe doctrine was well enough when we had only 10,000,000 people, but now this nation, the greatest nation on earth, should lay down a policy which would be respected if not followed by every nation, and a part of that policy should be that every people struggling for liberty should receive at least our sympathy and, if possible, our aid. [Applause.]

plause.]

Mr. Speaker, I believe that a nation like Spain, which at one time controlled two-thirds of this continent and has been driven step by step till now she has only that beautiful island upon which to wreak her oppression—I believe that the sooner such a nation is driven from that island, lying as it does within two hours' sail of the coast of the United States, the sooner Cuba becomes free and independent or a member of this great Commonwealth, the sooner will the cause of civilization and of Christianity receive the vindication to which it is entitled. Mr. Speaker, these people are struggling in the cause of liberty. Every animated thing loves liberty. The eagle soaring to the starry heights, looking down upon the mountains where he dwells, loves liberty. [Applause.]

The fierce Numidian lion, the monarch of the forest where he dwells, loves nothing as he loves liberty. The gallant 300 Spartans who lie buried at Thermopylæ gave up their lives in the cause of liberty. [Applause.]

berty. [Applause.]
The patriots of all ages who led the onslaught in battle gave

up their lives in the cause of liberty. [Applause.] And, Mr. Speaker, when a band of people who for more than a year have maintained a government within 60 miles of our shores, driving, maintained a government within 60 miles of our shores, driving, as they have driven, their oppressors to the very edge of the sea, confining them, as they have confined them, within two or three cities—when such a people achieve such results, how does it become us to ask whether they have a navy? How does it become us to ask whether they have a government located in a certain place? Why, sir, in the war of 1812, did we have a government with a fixed habitation? No, Mr. Speaker. Although we had been a nation for more than thirty years, yet during that struggle the President and his Cabinet were flying from one place to another, driven from the seat of Government, our Capitol burned, a hostile force within 30 feet of where I am now speaking. And yet, sir, we now, in the face of this past history of our own, contend that these now, in the face of this past history of our own, contend that these struggling Cubans can not be recognized even as having belliger-ent rights until they have a fixed capital, a fixed congress to enact laws, and all those features which belong to a well-established government. Mr. Speaker, to expect such a condition of things in Cuba at this time is not reasonable. [Applause.]

The SPEAKER. The time of the gentleman has expired.

The "Fiat" Delusion and 16 to 1 Free Silver.

SPEECH

HON. NELSON DINGLEY, JR.,

OF MAINE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 11, 1896.

Mr. DINGLEY said:

Mr. SPEAKER: The natural tendency of the mind to judge from outward appearances rather than internal conditions opens up in monetary questions a wide field not only for honest yet dangerous misconceptions but also for more mischievous perversions.

It is unfortunate that monetary questions should ever be the football of partisan politics or the objects of passion and prejudice, for they are so purely scientific and exact, so completely controlled by irrevocable natural laws determined by the experience of ages, that any attempt to settle them by appeals to passion and prejudice are as much out of place as the solution of a problem of English we relieve a word causes.

problem of Euclid by polling a ward caucus.

In times of business depression and industrial paralysis, when
men in financial straits are catching at rhetorical straws, when the diminishing purchasing and consuming power of the people is narrowing the demand for products and thereby abnormally reducing prices, the opportunities for crossroads financiers with infallible monetary remedies for every financial misfortune are so multiplied that we might expect to find in financial almanaes, under the head of "Business depression," as we are accustomed to find under the weather forecast of the "Old Farmers' Almanae" the warning words, "Look out for a storm"—in this case a storm of financial quacks—"about this time!"

At such times money, however abundant, is inactive, and inactivity is readily confounded with scarcity. What is really a result is mistaken for a cause. And scarcity of money having een erroneously assumed to be the cause of industrial stagnation, the same surface view as readily jumps to the conclusion that the stamp of the Government gives value to money, and therefore all that is needed to set the wheels of industry in motion is for the Government to stamp irredeemable paper or overvalued coin, and by some mysterious process which overlooks the fact that nobody can obtain money without giving an equivalent value in exchange, convert scarcity into plenty and industrial paralysis into comparation.

into commercial prosperity.

A deeper insight into economic and monetary principles would make it clear that distrust of the industrial and business future, no matter how brought about, is the cause of the dislocation of no matter now brought about, is the cause of the dislocation of the intricate machinery of modern production and distribution, whose retarded motion or paralysis has no longer use for the vol-ume of money which it circulated in periods of activity; and that any increase in such times even of good money—by which I mean coin of an intrinsic value equivalent everywhere to the stamp placed upon it, or promises to pay such coin redeemable on demand in such coin—is futile; while issues of bad money, whether in the shape of overvalued coin or irredeemable paper, only increase the distrust and intensify the inactivity which is confounded with scarcity.

THE "FIAT" THEORY OF MONEY.

The fundamental fallacy of the schemes to give prosperity to everybody by monetary legislation, which have obtained so much popularity at different times, lies in the assumption that money,

which is the common medium of exchange and standard or measure of value, is anything that the Government sees fit to stamp as such, regardless of its intrinsic or redeemable value, the law giving it the full value indicated by the stamp, instead of a substance possessing value in itself and accepted as such by common consent, whose coinage by Government is simply the certificate that the weight and fineness of the coins are such as to give them the value indicated by the stamp; paper or credit money, so called, being simply promises to pay such coined money on demand.

The "flat" fallacy has its origin in the fact that governments

successfully circulate token or underweight coins of less intrinsic or bullion value than the stamp indicates, just as all governments circulate the limited amount of fractional silver token coins required for daily use, and as the United States is now circulating overvalued standard silver dollars and France overvalued 5-franc pieces, by rigidly limiting the amount, so that the acceptance of such overvalued coins at the stamped value for customs duties and taxes payable in gold or its equivalent serves as a practical redempt on of them at par by the Government that coins them on its own account and for its own profit, the token coins so minted being practically pledges of the Government to thus redeem them at par to whatever extent the stamped value exceeds the bullion value, as the greenback is an express pledge of the Government to pay its full stamped value.
Those who are accustomed to look on the surface of monetary

operations easily jumped to the conclusion that it is the Government stamp, and not practical Government redemption, which has made 50 cents' worth of silver or a piece of almost valueless paper as good as a gold dollar; and that all that is needed to instantaneously lift all the world's present and prospective silver bullion from its present market price of 68 cents per ounce to \$1.20 per ounce is for this Government alone to authorize the private owners of the same to take their bullion to the mints and have each 4124 grains nine-tenths fine coined and stamped, free of charge, into 100-cent dollars.

Why, with such a wonderful stamp in the possession of the Government, a stamp possessed of more magical power than Aladdin's lamp, any faithful representative of the people's interests on this floor should propose to give the private owners of silver bullion the profit that would accrue from its operation in dephilips the subsection of the condition of the subsection of the subsect doubling the value of the one hundred million dollars' worth of silver produced annually in the world, when the whole people ought to have it; or why anyone should favor the wasting of 50 cents' worth of silver in making a dollar when a piece of paper worth I mill can be converted into a dollar and multiplied by hundreds of millions by simply starting a printing press, is a conundrum which I should be glad to have answered.

conundrum which I should be glad to have answered.

All will remember the potency, during the palmy days of the Greenback party, of the conundrum, "If greenbacks are good enough to pay the soldier, why are they not good enough to pay the bondholder?"

But this "fat" conundrum disappeared from the stump as soon as the people came to clearly see that the interest-bearing obligations of the Government," called "bonds," and the noninterest-bearing notes, called "greenbacks," are both promises to pay coin, any creditor of the Government having been at liberty to choose either when we had no money of final payment to give either soldier or other creditor, and that neither promise will be finally paid until the holder of it is paid in coin. Individuals may discharge their liabilities by tendering to their creditors the notes of the Government, but the Government itself which issues its notes can not ment, but the Government itself which issues its notes can not make final payment of its own promises by tendering new notes. Mr. Wilkins Micawber and our "flat" money advocates have the exclusive patent on this method of getting out of debt.

FREE COINAGE OF SILVER AT 16 TO 1

Mr. Speaker, with these preliminary observations as to the nature and uses of money and the character and sources of cer-tain fallacies respecting monetary legislation, I now address my-self specifically to the proposition which has been so zealously advocated by many gentlemen in this Hall during the present session, and which is being pushed with such energy throughout the country—that this country alone shall immediately open its mints to the free and unlimited coinage of silver at the ratio of 16 to 1, notwithstanding the bullion ratio of silver in the markets of the world is such that 30 ounces of silver (instead of 16) are

of the world is such that 30 ounces of silver (instead of 10) are required to be equal in value to 1 ounce of gold.

It would greatly simplify the discussion if such free coinage as is proposed were advocated on uniform and consistent grounds. But when I find not only different supporters of this policy, but also the same advocate in different parts of his argument, contending in one breath that silver has declined in consequence of hostile legislation, and in another breath that silver has been stable and unchanged; another affirming in his introduction that what he seeks is the equality of both gold and silver in the circulating medium, and in his peroration denouncing gold as the money of the rich, the enemy of the country in time of need, the tool of the

foreign shylocks at all times, and eulogizing silver as the money of the poor, the friend of the Republic, and the open sesame to prosperity; and still another declaring in one part of his argu-ment that free coinage of silver at 16 to 1 by this country alone will make every silver dollar as good as gold, and in another part affirming that such coinage will raise prices and make it easier to pay debts, its advocates seem to me to be very much in the don't-care-ativeness state of mind of the showman who, to the inquiry of the curious spectator as to which was the tiger and which the lady, spitefully responded with a far-away look:

"Madam, you pays your money and you takes your choice."

Notwithstanding most of the arguments for such free coinage
of silver ultimately reach silver monometallism as their logical and inevitable goal, yet this proposed policy obtains popular acceptance mainly on the assumption that it will secure both gold and silver as our redemption money by making the coins of both metals intrinsically equal in value; and this fact makes it necessary for even those who seek the silver standard and silver monometallism of Mexico to claim that they are bimetallists because they propose free and unlimited coinage of both metals.

WILL FREE COINAGE 16 TO 1 GIVE US BIMETALLISM.

The first inquiry, therefore, Mr. Speaker, of every friend of bi-metallism—and I account myself one—should be whether, with a bullion ratio of silver to gold of 30 to 1 in the markets of the world, this country alone can open its mints to the free and un-limited coinage of silver at the ratio of 16 to 1 and retain gold in

For surely if it can not, if the practical effect of such free coinage as this will be to drive out gold and give us silver alone as our metallic money, and bring us to a silver standard, as I affirm it inevitably would, then I believe the great body of the people of this country who are inclined to look on the scheme with more or less favor, because they have been led to assume that it would give us both gold and silver as our metallic money, would set their faces against it as mischief and only mischief.

MUST DOUBLE PRICE OF WORLD'S SILVER.

In considering this vital inquiry it should be first of all borne in mind that it is conceded on all sides that under free and unlimited coinage of silver, after the brief period required to materially enlarge the coinage, during which the owners of silver bullion will secure the profit, there can be no difference in value between a coined silver dollar and an equal weight of silver bullion. This is shown not only by the logic of the situation under free coinage, which gives the holder of bullion anywhere the right to send it to our mints and have it coined and returned to him free of expens but also by the fact that under the free and unlimited coinage of gold 25.8 grains of gold nine-tenths fine coined into a dollar is worth no more after coinage than before. Therefore, it necessarily follows that in order to make coined silver dollars under free and unlimited coinage at the ratio of 16 to 1 worth 100 cents (which is what they must be worth in order to be at a parity with gold) not only the silver in each dollar but all the silver in the world must be lifted in value from 68 cents (the present price) to \$1.29 per ounce, which is the equivalent of gold at the ratio of 16 ounces of silver to 1 ounce of gold. For if it does not do this, but on the contrary leaves 16 ounces of silver less valuable than 1 ounce of gold, then the silver dollars coined will be less valuable than the gold dollars. When this comes to pass, then, under the operation of an irrevocable monetary law, anown as Gresham's law, the cheaper silver dollar alone will be used as money and only silver taken to the mints, while gold bullion and the gold coins withdrawn from circulation will be sold for export or for use in the arts.

The only way in which both gold and silver coins can be re-tained in any country as money under free and unlimited coinage is by having the coinage ratio approximately the actual bullion

ratio in the market.

THE "FIXED PRICE" THEORY.

It is argued, however, by the friends of free coinage of silver at 16 to 1—and I quote from a free-silver publication everywhere circulated—that the opening of the mints of this country alone to such coinage will create an unlimited demand for silver bullion at the fixed price of \$1.29 per cunce (which is the price required in order to sustain the ratio of 16 to 1 of gold), and that this unlimited demand at a fixed price meeting a limited supply will make that the price of silver everywhere, and thus that the condition of successful free coinage which I have referred to as indispensable, viz, an equality of the coinage with the bullion ratio, will be secured. will be secured.

The statement of this curious theory, on which all arguments for free coinage at the ratio of 16 to 1 rest, shows how easy it is to mislead in monetary discussions. Indeed, this theory is only an ingenious variation of the "fiat" fallacy. It rests entirely on the assumption that whatever the Government, under any and all circumstances, stamps as a dollar is therefore necessarily always a dollar as good as gold. The so-called "unlimited demand" for

coinage is simply the limited demand of business for the purchase of coin, for it must be borne in mind that under free and un-limited coinage the Government does not purchase silver any more than it does gold. It simply impresses the dollar stamp or certificate, without charge, on every 412½ grains of silver or $25\frac{1}{10}$ grains of gold nine-tentls fine brought to the mints, and the grains of gold nine-tenths fine brought to the mints, and the owner takes away the dollars so stamped from his gold or silver, and disposes of them as best he can. We know that the owner of the gold dollars gets no more for them than the bullion was worth before coinage. What, therefore, the owner of silver bullion receives from the mints is simply 1,700 of a silver dollar for each onnce he has deposited. What this coined silver will yield the silver-mine owner is entirely dependent on the quantity of gold he can buy with it in the markets of the world. The stamp of the Government will not help him under free and unlimited coinage to get any more for his silver dollar than the bullion in it will bring. The absurd theory of a "fixed price" for silver equal to the stamp under free and unlimited coinage vanishes into the thin air of all "fiat" ideas of money.

INFLUENCE OF FREE COINAGE BY THIS COUNTRY ON PRICE OF SILVER.

The only influence on the price of silver bullion that the opening of the mints of this country alone to its free and unlimited coinage could have would be simply whatever increased demand for silver it would create—not a demand at a "fixed price," as I have already shown, but simply at whatever price would naturally arise from the meeting of the supply with such demand, as this must be the value of the silver dollars coined from tife demandation.

posited bullion.

Fortunately we are able to approximately measure the influence on the price of silver of the possible demand for coinage by our mints under free coinage. That would be limited, first, by the mints under free coinage. That would be limited, first, by the silver coins that would be purchased and used by the people; and, second, by the capacity of our mints. Now, the capacity of our mints and the ability of our people to absorb silver coinage under free coinage could not for some time be greater, in proportion to population, than the 54,000,000 ounces purchased annually for monetary purposes for three years under the act of 1890, which was substantially the American product of silver, and more than one-third of the product of the world. Yet, while the temporary effect of this increased demand was to slightly increase the price of silver—not for a day, however, anywhere near \$1.29 per ounce—yet in a very short time the increased demand so stimulated production that the price went lower than ever before, thus demonstrating conclusively that no possible demand under free coinage by this country alone could have the effect to restore silver to its old price, evidently for the reason that the cost of production had old price, evidently for the reason that the cost of production had

declined and new and richer sources of supply been discovered.

If those who dwell on the legislation of this country in 1873, which struck the silver dollar from the list of coins authorized to be coined after that date, as a potent factor in causing a decline of silver by diminishing the demand would only allow their good or siver by diminishing the demand would only allow their good judgment to control, they would see that it could hardly be possible that legislation discontinuing the coinage of the silver dollar which had not been coined for circulation for twelve years prior could have had any effect in diminishing the demand for or the price of silver. Indeed, when it is considered that two years after 1873 we began to coin fractional silver, and in 1878 again began to coin the silver dollar, and that in the eighteen years between 1875 and 1893 we used five times as much silver bullion for monetary purposes as we had used in the eighty years previously, it must be admitted that so far as this country is concerned our demand for silver for coinage has within twenty years been greatly increased instead of diminished. instead of diminished, so that no charge can be justly made against the United States that its legislation has been hostile to silver. On the contrary, it has gone to the farthes verge of safety, if not be-yond, in its efforts to restore silver, so far as natural conditions would admit, to its old position.

THE ACTION OF GEPHANY AND FRANCE.

I have no doubt that the discontinuance of free coinage of silver I have no doubt that the discontinuance of free collare of silver by Germany in 1871, by France, Belgium, Switzerland, Italy, and Greece (the Latin Union) first by limitation in 1873 and then in full in 1875, and by other countries of Europe subsequently has, by diminishing the demand for silver for their coinage, had a marked influence in increasing the decline of silver, which would have inevitably taken place to a considerable extent because of the reduced cost of production and abnormal increase of supply.

Although Ide not record it possible for these countries recorded. Although I do not regard it possible for these countries, reenforced by Great Britain and the United States, by reopening their mints to free coinage of silver to restore the old ratio of 16 to 1 so long as the present conditions of silver production continue, yet I am persuaded that by joint action all these countries, acting together in the adoption of a fixed international coinage ratio at some in termediate point that shall have regard to the probable cost of production and the consequent bullion ratio of silver to gold in the markets of the world, can accomplish the desirable result of securing both gold and silver, under free and unlimited coinage,

as the final redemption money of the world. I do not believe the United States or either of these countries alone can bring this about. Neither does any bimetallist of authority in Europe or in this country (outside of politics) so believe.

THE THEORY OF BIMETALLISM.

The theory of bimetallism, ashald by allits great advocates, is not, The theory of bimetallism, ashald by all its great advocates, is not, as some of its defenders assume, that free and unlimited coinage of gold and silver at any ratio which the law of any one country may declare will secure the maintenance of that ratio by increasing the demand for the metal that tends to fall and diminishing the demand for the metal that tends to rise, but that such coinage by a sufficient number of leading commercial nations to give a potent demand, at a ratio substantially the same as the coinage ratio, will do this, unless there shall be radically changed conditions of production and use of either metal.

ratio, will do this, upless there shall be radically changed conditions of production and use of either metal. It is important to keep in mind the fact that bimetallism is a system which seeks to have one monetary unit or standard of value represented in two different metals adjusted to a ratio that makes them equal, and which tends to keep them approximately equal by the operation of an alternative lessened or increased demand on either metal. When two full legal-tender dollars of different values are authorized in any country the practical standard is always the least valuable dollar. Thus from 1792 to 1834 the silver dollar was the mactical unit or standard, from 1834 to ard is always the least valuable dollar. Thus from 1792 to 1834 the silver dollar was the practical unit or standard, from 1834 to 1861 the gold dollar was the practical unit or standard, and from 1861 the gold dollar was the practical unit or standard, and from 1861 to 1879 the depreciated greenback dollar was the practical unit or standard, notwithstanding the gold dollar was the legal unit from 1873 to 1879, as it has been since 1879 both the legal and practical unit or standard. And yet within proper limitations the alternating lessened or increased demand on either metal for coinage under bimetallism, when that alternating demand is made rotant by the concurrence of enough companying patients. made potent by the concurrence of enough commercial nations, and when the coinage ratio is approximately the bullion ratio at the time it is fixed, has been found a factor sufficiently effective to prevent any serious divergencies of the two metals from that ratio so long as the conditions of their production and the mone-tary status of the world were not seriously disturbed. It must be evident that the potency of this compensating and equalizing principle is very small when one country alone adopts bimetal-lism, and that it increases wonderfully as commercial nations unite in its maintenance at a fixed ratio. It is for this reason that all authorities on bimetallism, outside of politics, agree that under present conditions "international bimetallism" alone is

THE FETICH OF 16 TO L

In many minds bimetallism seems to be regarded as the free and unlimited coinage of both silver and gold at the weight ratio of 16 to 1. To such the ratio of 16 to 1 in coinage is apt to be a permanently established principle of the fathers that has come down to us like the principles of the Declaration of Independence or the doctrines of the Constitution. They talk of the free coinage of silver at 16 to 1 as the restoration of "the policy of the fathers," and ask why silver should not have the same privileges

as gold.

Now, it may surprise some of those who have adopted such ideas to learn that the "fathers" who established the first mint in 1792 did not set up the coinage ratio of 16 to 1, but that of 15 to 1, and that in establishing this ratio they turned their backs on the "fathers" who discovered America, for in those days the ratio and the stable of was 11 to 1. Indeed, the evidence is conclusive that under the ear liest Egyptian monarchy gold and silver were equally valuable

by weight.

How did it happen that the "fathers" of 1792 adopted the ratio of 15 to 1? It was simply because Hamilton reported that after a careful investigation he found that the average market ratio of silver and gold was 15 ounces of silver to 1 of gold. And so the "fathers" supposed it to be the proper thing to make the coinage ratio the same in order to secure both silver and gold. That was ratio the same in order to secure both silver and gold. That was their conception of bimetallism. Strange as it may seem to some of our medern crossroads financiers, no one reminded them that the earlier "fathers" held to 11 to 1 as the right ratio because then 11 ounces of silver would buy 1 ounce of gold.

How did it happen that we set aside the ratio of 15 to 1 establishedby the "fathers" of 1792? Simply because those "fathers" took it for granted that the coinage ratio must follow the bullion ratio in order to maintain himstellism. In 1834 it was found that

ratio in order to maintain bimetallism. In 1834 it was found that the bullion ratio had changed and was (as was supposed) 16 to 1, whereupon these "fathers" or their disciples changed the coinage ratio to 16 to 1. So it appears that the "fetich" of 16 to 1, which so many are worshiping to-day on the supposition that it is a fundamental principle which the "fathers" fought to maintain,

comes down to us only from 1834.

COINAGE AND BULLION RATIO MUST BE IDENTICAL.

There is a monetary principle which comes down to us from these "fathers" which every authority in finance sustains, which every European bimetallist and every bimetallist outside of politics

in this country holds, and this is that to maintain successful bimetallism the coinage ratio must be approximately the bullion ratio, for while experience shows that coinage laws, by creating a demand for a metal, can thus exert some influence on the price, yet this influence is comparatively small when exerted by one country, and even when exerted by a combination of countries can not work miracles.

Cold is given free and unlimited coinage at exactly its bullion value, and consequently a gold dollar after it is coined is worth no more than before coinage. If the owners of silver bullion would consent to its free and unlimited coinage at its bullion value in the markets, just as we coin gold, the only objection would be that the ratio could not be permanent unless there was concurrent action by the leading commercial nations, and no material change in the conditions of production of the two metals; but what they want is to have 50 cents' worth of silver, as it sells in the markets of the world, received at our mints and certified to be a dollar worth 100 world, received at our mints and certified to be a dollar worth 100 cents. They are not willing to accept the coinage principle of the fathers that both metals should be coined at their bullion ratio, whatever that may prove to be, but insist that because 16 ounces of silver were equal in value to 1 ounce of gold and given coinage at this ratio in 1834, therefore silver must have the same ratio to gold to-day that it had then. The wonder is that they do not insist on going back further, to the discovery of America, and making the coinage ratio 11 to 1; or even to the days of Thebes, when 1 ounce of silver was equal in value to 1 ounce of gold—the only time that silver and gold had equal "rights."

THE CAUSES OF FALL OF SILVER

Mr. Speaker, it is not necessary to invent any fanciful reasons for the decline of silver bullion from \$1.32 per ounce in 1870 to 68 cents per ounce in 1896, for, after making all reasonable allowance for the influence of the action of Germany, France and the other States of the Latin Union on the demand for silver—an influence which unquestionably has sent silver lower than it would have otherwise gone—every candid investigator must admit that the most potent cause for this decline must be sought for in the reduced cost and consequent exceptional increase of production. reduced cost and consequent exceptional increase of production.

INCREASE OF DEMAND FOR SILVER. INCREASE OF DEMAND FOR SILVER.

Indeed, the demand for silver has gone on increasing more rapidly than ever before in the history of the world. In the fifty years before 1860 the world's annual demand for silver and for the arts never exceeded 28,000,000 ounces. Even up to 1865 the the annual average consumption of silver did not exceed 40,000,000 ounces, but in 1890, 1891, and 1892 the average annual consumption of silver reached 125,000,000 ounces, of which 100,000,000 was for the world's coinage alone, more than three times the use was for the world's coinage alone, more than three times the use of new silver for money in any year before 1873. According to the Director of the Mint, the silver coinage of the world was \$135,000,000 in 1893, of which \$120,000,000 was from new silver, four times as much as was coined in any year before the war. Mexico in 1893 coined twenty-eight millions; India, thirty-nine millions; Austria, eighteen millions; Japan, twelve millions; the United States eight and three-fourth millions, Great Britain, five millions, and Germany two millions.

Such facts as these, Mr. Speaker, set aside the theory that the fall insilver is mainly due to a decreased deman'd caused by what is styled hostile legislation, especially our legislation in 1873; and that all that is required to restore silver to its old price and ratio is to open the mints of this country to the free coinage of silver

is to open the mints of this country to the free coinage of silver

REDUCED COST AND INCREASED PRODUCTION OF SILVER.

Evidently if an important discovery of exceptionally rich mines and of more economical metallurgical processes had not greatly reduced the cost of production of silver and largely increased the supply—in other words, if the conditions of silver mining had continued since 1870 as they had existed for seventy-five years before—

three is not as they had existed for seventy-five years before—silver could not have declined to any considerable extent.

The official statistics of silver production from the report of the Director of the Mint show so clearly the inevitable connection between an abnormal increase of supply accompanying a regular decline in price, in the relation of cause and effect, that I invite attention to them:

Period.	Average yearly pro- duction.	Silver per ounce in London.	Period.	Average yearly pro- duction.	Silver per ounce in London.
1860-1810 1840-1850 1865-1860 1865-1870 1865-1870 1870-1875 1876-1880	29, 095, 428 35, 401, 972 48, 051, 583 68, 317, 014	\$1.29 1.30 1.35 1.34 1.824 1.29 1.18	1880-1885 1889 1891 1892 1899 1804	Ounces. 92,003,944 125,830,000 137,170,900 152,940,000 161,776,100 158,000,000 158,000,000	\$1.06 .96} *.96 .87} .78 .63} .68

* First effects of silver purchases under act of 1890.

This official table presents a metal, mined by human labor, whose annual production for the seventy years from 1800 to 1870

increased from twenty-eight to forty-three million ounces—only 15,000,000 ounces, or one-fourth of 1 per cent per annum—and whose market price in gold during that period did not vary 5 cents per ounce; the most convincing evidence possible that during those seventy years the sources of supply and cost of production must have been remarkably uniform.

On the other hand, this table presents the same metal, commencing with the five-year period ending 1875, with a suddenly increased production of 4 per cent per annum—sixteen times the average rate of increase before 1870—swelling to a higher and higher pace as the years went on, in the face of a steady decline in price of almost 3 per cent per annum on the average since 1875, until in twenty-three years the 43,000,000 ounces of silver produced in 1870 mounted up to 181,000,000 ounces in 1898, all affording the most conclusive evidence of a reduction of cost of production and most conclusive evidence of a reduction of cost of production and discovery of richer sources of supply, which rendered a fall of price inevitable.

I am aware that, in order to avoid the logical conclusion from these figures, the claim has been made that the precious metals are not governed by ordinary economic laws, but that their production is speculative and without regard to profit and their price made by law in providing for coinage. It is even seriously contended that on the average the silver which has been produced in this country and in the world in such increasing quantities in the cast treater wars at a write declining steadily from \$1.20 in the

this country and in the world in such increasing quantities in the past twenty years, at a price declining steadily from \$1.29 in the five-year period ending 1875 to \$1.08 in the five-year period ending in 1885, 93½ cents in 1889, 87½ cents in 1892, 78 cents in 1893, and 68 cents in 1895 cost the silver-mine owners \$2 per ounce.

It is sufficient to say in reply that while it is true the mining of the precious metals is a peculiarly precarious business, in which many lose, as is fruit-raising and many other kinds of business depending on the uncertain bounties of nature, yet it is pursued for profit, like all other industries, and not for amasement. To argue that the shrewd business men of Colorado, Montana, Idado, and the other mining States have gone on doubling, yes, anadand the other mining States have gone on doubling, yes, quadrupling, their output when they were really losing money by wholesale is to talk nonsense.

rupling, their output when they were really losing money by wholesale is to talk nonsense.

Certain it is that when there are thousands or capitalists and mine owners standing ready, as they have in the last fifteen years to furnish the world with all the silver it will use—more than twice as much per capita as it ever used before 1870—at less than \$1 per ounce, so eager, indeed, that they have been constantly enlarging their production at a lower price, it is impossible by law or any other device to increase the price to \$1.29 per ounce. Why so many men, who are sensible in everything else, should think it practicable by law to make 16 ounces of silver equal in value to 1 ounce of gold, when the tens of thousands of silver producers in the world would consider they had struck a bonanza if they could exchange 24 ounces of silver for 1 ounce of gold, and would come under bonds to largely increase their production in the future at such a figure, is one of the inexplicable phases of the "fiat" money delusion which now and then breaks out in periods of business depression. It evidently presents a case where the obvious fast that the law can exert a moderate influence on the price of one of the precious metals by increasing the demand for it for coinage is accepted by surface thinkers as conclusive evidence that the law, by its mere "fiat," can add to or even create value without limit. An exaggerated idea of the influence on price of the demand for either of the precious metals under free and unlimited coinage has prevailed because of the fact that the great increase of production of gold between 1850 and 1865 caused a decline in gold, estimated not exceeding 10 to 15 per cent, and a divergence of

duction of gold between 1850 and 1865 caused a decline in gold, estimated not exceeding 10 to 15 per cent, and a divergence of only 5 per cent from the old bullion ratio of gold and silver. It is the opinion, however, of such authorities as Professors Fawis the opinion, however, of such authorities as Professors Fawcett, Cairnes, and Jevons, who have carefully examined all the facts, that this comparatively small disturbance, caused by the sudden increase of production of gold between 1850 and 1865, was not so much due to the compensatory influence of international bimetallism as to the great impetus given international trade by the Crimean war, and the opening up of new continents, and the tendency of the commercial world, then well under way, to use more gold and less silver as money, because of the greater convenience of the former in the large transactions of modern commerce, at a time when silver production was stationary and merce, at a time when silver production was stationary and relatively small.

SSIBILITY OF BIMETALLISM NOW WITH FREE COINAGE AT 16 TO 1.

Mr. Speaker, the evidence that silver has greatly declined in the Mr. Speaker, the evidence that silver has greatly declined in the past twenty years is so conclusive that, in order to avoid the logical consequences, the advocates of the free and unlimited coinage of silver at 16 to 1 by this country alone insist that this is a decline only in appearance, only as measured in gold, and that what seems to be a decline of silver is really a rise of gold.

It is strange that it does not occur to these 16 to 1 advocates that such an explanation, even if it accorded with the facts, would not in the least modify the impracticability, not to say absurdity, of their scheme to declare by law that 16 ounces of silver are equal in

value to 1 ounce of golu, when in every market of the world 1 ounce of gold will buy 30 ounces of silver.

If it were true that the present divergence from the ratio between silver and gold that existed twenty years ago has been entirely caused by the rise of gold—which is not the case—that situation might justify gradual reduction of the weight of the gold dollar one-half in order to make the gold dollar one-thirtieth the weight of the silver dollar, and thus to accord with the bullion ratio, but it would furnish no justification for attempting the free coinage of the silver dollar by the side of the gold dollar of one-sixteenth the weight, when such a gold dollar would be twice as valuable as a silver dollar.

THE EXPERIENCE OF FRANCE AND OTHER COUNTRIES.

Mr. Speaker, the last resort of those who, shutting their eyes to the developments of the past twenty-five years, insist that all that is necessary to make 16 ounces of silver equal in value to 1 ounce of gold the world over, notwithstanding 30 ounces of silver are of gold the world over, notwithstanding 30 ounces of silver are only the equal of 1 ounce of gold to-day, is for the United States to repeal the legislation of 1873 and open its mints to the free and unlimited coinage of silver at 16 to 1 of gold, is to appeal to the example of France between 1800 and 1872. It is said that France preserved the ratio of 15½ to 1 between silver and gold for eighty years by simply keeping her mints open to the equal and unlimited

coinage of silver at this ratio.

The conclusive answer to this assumption is, first, that, as I have already shown, between 1800 and 1865 the production of silver was so uniform (not exceeding 29,000,000 ounces per annum until 1861 and 35,000,000 until 1865) that this fact itself, entirely regardless of other considerations, made material variations of the price impossible, whereas now we have to deal with a sudden increase

impossible, whereas now we have to deal with a sudden increase of production of silver to 160,000,000 ounces in 1893; second, that France was only one of many European nations that opened their mints to the equal and unlimited coinage of silver during that period at substantially the same ratio; and third, that even in spite of both of these conditions combined silver did vary in price more than 5 cents per ounce at different times during this period.

And when in 1872, 1873, and 1874 the changed conditions in silver production began to throw on the market a gradually and abnormally increasing product of silver, France and the four other nations in the Latin Union—Belgium, Switzerland, Italy, and Greece—threw up the sponge, admitted their inability to cope with the increased product and maintain the old coinage ratio, and closed their mints to any further coinage of private silver at a time when the product was less than half what it is now.

and closed their mints to any further coinage of private silver at a time when the product was less than half what it is now.

Surely, if France and four other nations of Europe could not cope with less than half the product of silver by unlimited coinage, what, with twice the product—and mines ready to quadruping of \$1.29 per ounce, required by the ratio of 16 to 1—could be expected from the United States alone now opening its mints to the woold's cilver at such a ratio?

World's silver at such a ratio?

I am amazed, Mr. Speaker, that anyone should come to seriously believe it possible for the United States to successfully grapple with the existing silver situation by opening its mints to the free and unlimited coinage of silver at 16 to 1 without going with headlong speed to silver monometallism.

EXPERIENCE OF UNITED STATES

Even the experience of the United States between 1792 and 1861 Even the experience of the United States between 1792 and 1861 affords most important instruction as to the limitations of the compensatory principle of bimetallism through the alternative demand caused by the workings of equal and unlimited coinage, which, as I have already said, is the extent of the influence of monetary laws on the value of either silver or gold.

In 1792, after an investigation by Hamilton as to the bullion ratio of gold and silver, the United States adopted a coinage ratio of the first of the transfer of sund that there was a slight divergence.

of 15 to 1. It was soon found that there was a slight divergence of about 2 per cent in this coinage ratio from the actual bullion ratio in the markets, gold being undervalued. The result was that in the forty years between 1793 and 1833 less than ten milthat in the forty years between 1793 and 1833 less than ten millions of gold were coined, including recoinage, while over forty millions of silver were coined and recoined. Of the one hundred and forty millions of specie estimated by Gallatin to be in the United States in 1833, not over five millions were in gold. During these forty years silver was the actual standard of value. Finding that even with this small divergence between the coinage ratio and the bullion ratio the compensatory principle in free coinage of both metals would not offset the margin, Congress in 1834 readjusted our coinage laws and made the coinage ratio 16 to 1. This proved to undervalue silver about 2 per cent, in congrese of which silver began to be withheld from coinage. In the

quence of which silver began to be withheld from coinage. In the twenty years between 1834 and 1854 nearly two hundred and fifty millions of gold was coined and recoined, while, with this slight divergence of the coinage ratio from the bullion ratio, less than thirty-five millions of silver was coined and recoined. Indeed, the silver coined was so rapidly withdrawn from its use as money

because it was worth 2 per cent more as bullion that in 1853, in order to secure sufficient fractional silver for small payments, Congress reduced the amount of silver in the half dollars and smaller silver pieces and made them token coins. And from 1853 to 1861, silver pieces and made them token coins. And from 1853 to 1861, while over two hundred and sixty millions of gold was coined and recoined, the coinage and recoinage of full legal-tender silver was less than \$1,900,000. Indeed, of the two hundred and fifty millions of specie estimated by the Secretary of the Treasury to have been in the country at the beginning of 1861, probably not over ten millions was full legal-tender silver. From 1834 to 1861, while the legal standard was both gold and silver, yet the actual standard was the gold dollar; and the actual standard from 1861 to 1879, when specie payments were resumed was the depreciated green. when specie payments were resumed, was the depreciated green-back dollar—both silver and gold being withdrawn from use as money and selling as merchandise at a premium during this period in accordance with the well-known monetary law by which the least valuable full legal-tender dollar takes the entire field of cir-culation and becomes the actual unit or standard of value regardless of what may be the legal unit, while the more valuable dollar goes to the melting pot.

Certainly such an experience as that of our own country in es

tablishing by law a coinage ratio only 2 per cent divergent from the bullion ratio ought to satisfy any inquirer of the futility of the attempt to maintain bimetallism with a coinage ratio 50 per cent

divergent from the bullion ratio.

THE EXAMPLE OF MEXICO.

But we need not speculate. We have at our doors a country which has for years opened its mints to the equal and unlimited coinage of silver at 16½ to 1 of gold. I refer to Mexico. Has Mexico been able to keep both gold and silver as its redemption money and its circulating medium? In short, has Mexico made itself a bimetallic country? Has Mexico made her silver dollars as good as gold? I pause for a reply. No one answers, because you all know that Mexico, under this policy, has become a silver monometallic country on a silver basis, without any gold in the country as a part of its money. Instead of increasing its redemption money it has driven out every dollar of gold and has nothing but silver dollars whose power of redemption or purchase is only half that of gold. Instead of dollars equal in value to gold she has dollars worth only half as much as the dollars of this country are worth. Indeed, an American silver dollar, coined on the Indeed, an American silver dollar, coined on the account and for the profit of the Government and maintained by our Government at par with gold by limitation and indirect redemption, can be exchanged for two Mexican dollars, and will purchase twice as much in Mexico or here as a Mexican dollar will buy.

Worse still, when Mexico exports any of its products it sells them at the gold price abroad, and when it imports anything from abroad it buys at the gold price abroad and then has to double the price at home, and is subject, either when exporting her own products or importing products from abroad, to an extra charge for the risk of further depreciation of her uncertain silver standard.

And it must be of interest to wage earners to learn that labor

in Mexico and other silver-standard countries has not risen as fast as the silver dollar has diminished, so that one practical effect of the free coinage of silver at the ratio of 16½ to 1 has been to greatly injure the workingmen of that country. On the other hand, in this country, on a gold standard, the wages of labor increased 61 per cent between 1860 and 1892; and 15 per cent, estimated in gold, and 25 per cent, estimated in purchasing power, between 1873 and

THE ARGUMENT SUMMED UP.

Mr. Speaker, I might close the discussion here of the practical question presented, viz, whether free and unlimited coinage of silver at the ratio of 16 to 1 by this country alone would give the United States what the people understand by bimetallism—both gold and silver as redemption money—for, as I have already said, it receives its chief support from the impression which has gone abroad that it would secure this result. I have shown that the adoption of this policy would not give us bimetallism but, on the contrary, silver monometallism and a silver standard and basis without a dollar of gold in our currency, and for the following, among other reasons:

First. Because bimetallism, or gold and silver as money under free and unlimited coinage of both at a ratio which secures the concurrent circulation of both, is possible only when the coinage ratio is approximately the same as the bullion ratio, and this proposition is to make the coinage ratio 16 to 1 when the bullion ratio is 30 to 1.

Second. Because every authority in bimetallism in Europe and in this country, outside of politics, holds that such a course on the part of this country alone, or any other country alone, would inevitably result in failure, and speedily bring the country attempting it to silver monometallism, for the reason that the compensatory interests of the alternation from the character to the compensatory in the country attempts. tory influence of the alternation from the cheaper to the dearer metal, which is the basis of the bimetallic idea, never in theory or

practice was claimed to cover a fraction of the divergence which now exists from the old ratio.

Third. Because the existing divergence from the old ratio of 16 to 1, after making all due allowance for the effect of the closing of European mints, is clearly due largely to a reduced cost of pro-duction and abnormal increased yield of silver now continuing for more than twenty years, causing such a marked change of existing conditions of production of silver and gold that it necessitates a readjustment of the ratio, not by our nation alone, but by concurrent action of the leading commercial nations.

Fourth. Because, even if this divergence from the old ratio has been entirely caused, assome claim without good reason, by a rise of

gold, this would not change the impracticability of one nation alone undertaking free coinage at the old ratio or the necessity of concurrent action by the leading commercial nations in fixing a

ratio and reopening their mints.

Fifth, Because the experience of this country, the experience of France, and the present experience of Mexico all show the impossibility of one nation alone undertaking under present conditions the free and unlimited coinage of silver at the ratio of 16 to 1 without driving out gold and bringing itself to silver monometallism.

Important, Mr. Speaker, as I regard the establishment of true bimetallism, these considerations make it clear that the only safe and practicable method of reaching it at present is by continuing to press other leading commercial nations to unite with us in fixing a common coinage ratio that can be maintained by all and that will secure both gold and silver in the redemption money of the commercial world, and that the adoption of the plan of having this country alone open her mints to the free and unlimited coinage of silver at 16 to 1 would make bimetallism impossible and rapidly carry us to silver monometallism.

THE FIAT CHAMPIONS OF FREE SILVER AT 16 TO 1.

Mr. Speaker, although this conclusion must on reflection be accepted by all friends of true bimetallism who have been inclined to adopt free coinage of silver by this country alone at 16 to 1, yet it will not be accepted by those who adopt the "fint" theory of money, and who favor free silver at 16 to, as they favored irre-deemable greenbacks, because they think they see in the scheme a realization in part of their favorite idea of a cheaper dollar, not in the sense of a cheaper price (rate of interest) for its use, but cheaper in the sense that it will have less real value or purchasing power. With these gentlemen a cheaper dollar of silver is only a halfway station on the road to still cheaper ideal dollars

of paper that cost nothing but paper and printing.

These gentlemen frankly admit that they are opposed to "international bimetallism," for that would not give them the depre-

ciated dollar they seek.

They are not bimetallists, but silver monometallists, and look at

cheaper silver only as a stepping stone to something cheaper still.

Thus the desire for a cheaper dollar and the blind antagonism to gold because the commercial world regards it as the standard money have led the "fist" money advocates, notwithstanding their claim that more money is needed, to overlook the fact that free coinage of silver at 16 to 1 by this country alone must reduce rather than increase the volume of full legal-tender coin by driving out gold and diminish the exchangeable value of both silver ing out gold and diminish the exchangeable value of both silver and paper. For while our present monetary system is one that needs thorough revision, and while we earnestly seek the establishment of true bimetallism in every practicable way, yet the system we now have is not gold monometallism, but a limited bimetallism, under which six hundred millions of gold, four hundred and twenty-five millions of full legal-tender silver, together with one hundred and thirty millions of silver represented by one hundred and thirty millions of full legal-tender Treasury notes, three hundred and forty-six millions of greenbacks, and two hundred millions of national-bank notes, in addition to seventy-five millions of fractional silver, all maintained at a parity with gold. millions of fractional silver, all maintained at a parity with gold, constitute the volume of our outstanding currency—twice as much per capita as before the war, 25 per cent more than any leading commercial country in the world except France, whose per capita is more only for the reason that France has but few banks and her people are not accustomed, as are other commercial nations, to the general use of substitutes for money like checks and bills of exchanges. For checks, bills of exchange, and other substitutes for money, employed to such an extent in countries having extensive banking facilities, are more convenient and as effective as coin or other forms of money in making exchanges and deferred payments and have the same influence on prices as either.

THE APPRECIATION-OF-GOLD EXCUSE

Recognizing the seriousness of a step which would not only deprive us of gold as money, but would also depreciate our dollar one-half and place us on a silver standard, thus dislocating our export and import trade and suddenly changing the price of every article in this country and the basis of our immense domestic trade—as the free and unlimited coinage of silver by this country

alone at the ratio of 16 to 1 inevitably would-the "fiat" money alone at the ratio of 16 to 1 inevitably would—the "fiat" money advocates have seen the necessity of justifying such a revolutionary step on some ground that affords a plausible defense. Accordingly they have set up the plea that the silver dollar to-day has really the same value that it had twenty-five years ago; but that the gold dollar, which measures the price of silver as well as everything else, has doubled in value, and thus reduced prices one-half and doubled debts contracted twenty-three years ago. But, as I have already said, even if this were true—which it is not—it would not afford the slightest excuse for discarding gold as our unit and standard of value, and thus breaking our monetary tie with the commercial world, whose standard of value is grains of gold, in order to depreciate our dollar. Reduction of the weight

of gold, in order to depreciate our dollar. Reduction of the weight of the gold unit, even if this state of facts existed, would depreciate the dollar just as effectually as the adoption of the silver standard would, but would still leave us in touch with the standard which makes the world's prices and finally determines our prices, and at the same time would give us gold as well as silver as our money, while the adoption of free coinage at 16 to 1 by this country alone would not only carry us to a silver standard but would also de-

prive us of gold.

But the assumption of the "fiat" money advocates that silver has been stationary and the wide divergence of silver and gold from the old ratio of 16 to 1 has been caused solely by the approciation of gold is without foundation, as has been clearly proved ciation of gold is without foundation, as has been clearly proved by the statistics of silver production which I have already cited. While gold is the nearest stable in value of any known substance, according to the consensus of opinion of every scientific authority, yet it varies somewhat in value under the influence of supply and demand. There is no doubt that gold declined somewhat (probably from 10 to 15 per cent) between 1850 and 1865 under the influence of the increased production of California and Australia, although this decline was counteracted in part by the increased demand caused by the great extension of commerce following the Crimean war and by the increasing tendency on the part of advanced commercial nations to use more gold and less silver; and vanced commercial nations to use more gold and less silver; and it is probable that gold appreciated between 1870 and 1890 about the same that it depreciated in the first period in consequence of increased demand. At least Professors Fawcett, Cairns, and Jevons, probably the highest authorities on the subject, conclude that the appreciation in the latter period and the depreciation in the former period substantially offset each other, and that in consequence of the rapidly increasing production since 1890 it is doubtful if there has been any rise of gold since, and that the probabilities favor the view of a movement in the near future in

the opposite direction.

Director of the Mint Preston calls attention to the fact that the world's annual production of gold, after rising to \$134,000,000 in the five-year period ending 1860 and falling but slightly below up to 1870, and then running along slightly above the one-hundred-million mark up to 1890, rose in 1891 to one hundred and thirty willions and increasing from alover to give mentions recognized. million mark up to 1800, rose in 1801 to one hundred and thirty millions and increasing from eleven to sixteen millions regularly each year thereafter, culminated in 1895 with two hundred and three millions (probably two hundred and fifty millions in 1896), which was sixty-nine millions more than the highest yield in any year of the Californian and Australian period, and more than the output of both gold and silver in any year previous to 1873. Mr. Preston estimates the world's consumption of gold in the arts at sixty millions, which leaves one hundred and forty-three millions of the annual product to be added to the store of gold devoted to monetary uses, which is estimated at four thousand millions, with about the same amount of silver set apart for similar purposes. about the same amount of silver set apart for similar purposes. As Professor Fawcett states that Great Britain, which engresses so large a share of the world's commerce, requires only fifteen millions of new gold annually to meet her monetary wants, it is easy to see that, with the supply of gold already in sight, we have already passed the point of its appreciation, and that the rise of gold between 1870 and 1890 caused but a small part of the divergence from the old ratio to silver of 16 to 1. The chief cause of the divergence must be ascribed to an actual decline of silver.

THE FALL OF PRICES

Mr. Speaker, probably no argument has had so much influence in support of the view that silver has not really declined in value in the past twenty years as that derived from the fall of prices. The inevitable fall of prices of all articles whose production has been cheapened by labor-saving devices has been exaggerated by selecting as a basis of comparison the exceptionally high prices of 1873, when we had only partially recovered from the inflation and boom of war, and an erroneous impression as to the movement of prices of agricultural products as a whole given by dwelling upon two articles (cotton and wheat) which have been subject to exceptional influences. And the erroneous impression thus created has been further exaggerated recently by using the exceptionally low prices of the past three years of industrial and business depression as if they represented a permanent rather than temporary situation. temporary situation.

Fortunately we have the report of an official investigation made by Labor Commissioner Wright, under direction of the Senate Committee on Finance, as to the movement of prices and wages in this country between 1840 and 1892, which will serve to correct much of the misinformation that finds so ready acceptance in times of business depression. Commissioner Wright's tables take the year 1860 as the basis of comparison, and assigns the index number 100 as the average prices and wages of that year, selecting 223 leading articles for investigation, and increasing or reducing the points each year according as the investigations indicate the comparative average prices and wages. I give below enough of these figures to indicate the changes of average old prices and wages for the years named, adding thereto the London price of silver:

Average gold prices and wages ascertained by Commissioner Wright.

Year.	Average prices.	Average wages.	Average price sil- ver per ounce.
1840	116.8	87.7	01.32
[A4]	101 8	80.0	1. 20
B47	106.5	90.8	1.30
800	98.7	92.5	1.31
851	105.9	90.4	1.33
856	113.2	99.2	1.34
800	100	100	1.39
AUG	136.3	108	1.34
870	117.3	133.7	1.32
813	122	148.3	1.20
875		140.8	1.24
878	99.9	140.5	1.15
879	96.6	130.9	1.18
890	106.9	141.5	1.14
800	108.5	149.9	1.18
889	91.9	150.9	.96
	94.2	156. 7	. 90
EDI	90.2	100.7	1 .96

Observe the almost universal disregard of the price of silver shown in the movement of prices as a whole. Prices fell more than 16 points in the twenty years between 1840 and 1860, with silver a little higher in 1860 than in 1840 and entitled to free coinage all the time. Pray what caused this decline of prices? Surely

not the fall of silver or the appreciation of gold.

On the other hand, prices as a whole fell only 7.8 points in the thirty-one years between 1860 and 1891, notwithstanding silver

On the other hand, prices as a whole fell only 7.8 points in the thirty-one years between 1860 and 1891, notwithstanding silver declined 361 points and gold appreciated probably 10 points.

Is it not clear that something besides the movement of gold and silver was the potent factor in determining prices, and that this "something" was the diminished cost of production through laber-saving devices, etc.?

This table exhibits the absurdity of selecting the prices of 1873 as the basis of comparison, because that is the date of the legislative "crime" selected by the "flat" advocates as the cause of falling prices. Why take 1873 as the initiative of falling prices, when war prices began to fall not in 1873 but in 1866? The fall in prices between 1866 and 1873 was 141 points, during all which time silver was at a premium over gold and was entitled to free coinage—a fall three times that from 1879, when specie payments were resumed, to 1802. Surely the silver excuse will not explain the fall in prices between 1866 and 1873. Of course candid investigators must admit that the abnormal rise of 36 points in prices from 1860 to 1866, and the abnormal fall of 36 points between 1866 and 1878, simply represent the boom of inflation and war on the one hand and the gradual rebound during the process of readjustment of industrial conditions to a peace basis. And whoever selects prices between 1861 and 1878, or between 1803 and 1805, as a basis for the study of the normal movement of prices will either deceive himself or those whom he addresses.

The more detailed tables of Commissioner Wright show that the prices of agricultural products, as a whole, rose 2 points between

The more detailed tables of Commissioner Wright show that the prices of agricultural products, as a whole, rose 2 points between 1860 and 1891 in the commercial centers, and outside of cotton 1860 and 1891 in the commercial centers, and outside of cotton and wheat rose much more; and that, too, notwithstanding the cost of transportation from the farm to the great markets has been greatly reduced. Indeed, an investigation of prices of agricultural products in Maine, where neither cotton nor wheat is grown to any extent and where farm products are sold at home, shows that they rose 28 per cent between 1858 and 1892, notwithstanding silver fell 36 points while the prices of the non-agricultural products (generally machine-made articles) which the farmer buys declined over 25 per cent. A little investigation would satisfy those Southern and Western farmers who listen to fanciful anguestions of mischievous monetary legislation as a fanciful suggestions of mischievous monetary legislation as a remedy for low prices that the true remedy is such a diversification of industries as will give farmers a home market for varied products at good prices, instead of a short-sighted concentration on cotton and wheat for which markets must be secured at long distances from the farm, where the cost of transportation practically reduces, to that extent, the return of the farmer.

While the variation in the value of gold, which is the standard or measurer, affects prices somewhat, yet the annual variation is so small as to have little effect. The potent factor which modi-fies prices is cost of production. Where production is mainly by fles prices is cost of production. Where production is mainly by hand labor the rise of wages, which has been so constant in this country for years, tends to increase the price; but where the production admits of labor-saving devices the invention of new and improved machinery and the improvement in methods diminshes the amount of manual labor more than wages are increased, and the result is a lower cost of production and consequently lower

prices.

Thus we find that while manufactured products have fallen in price an average of 25 per cent—some articles, like steel, wire nails, steel rails, and kerosene, 80 per cent—the great mass of small products of the farm, cultivated mainly by hand labor, beef, pork, and many other articles, have risen 25 per cent since 1860; and the average decline of all prices between 1840 and 1860 was 164 points; between 1860 and 1892, 7½ points; and between 1870 and 1892, 4½ points. And looking more closely at the movement of prices between 1879 and 1892, we find that prices rose 8½ points between 1870 and 1892, tell 16½ points between 1882 and 1886; rose 2½ points between 1870 and 1892; fell 16½ points between 1882 and 1886; rose 2½ points between 1892—the variations marking the changes of condition of the crops and of the general state of business and the slight trend downward indicating the irresistible tendency of competition to stimulate labor-saving devices and more economical methods and stimulate labor-saving devices and more economical methods and curtail profits.

PRICES OF COTTON.

I have spoken of cotton and wheat, especially the former, as standing out as exceptions to the general trend of improvement in prices of agricultural products between 1860 and 1892. It is for this reason that they are always selected by the "fat" money advocates as object lessons for the peculiar kind of instruction in which they delight, the exceptional boom prices of 1873 always being selected as the basis for comparison. The prices of corn, beef, pork, etc., and the prices of farm products before the war are rarely alluded to, as would be necessary if the object was to ascertain the whole truth, because they tell quite another story. It would be amusing, if it did not result in deceiving the public, to hear one of these "fat" money advocates gravely quoting 20 cents as the price of cotton in 1873 (the year of "the crime of crimes," you know) and then proceed to expatiate on the fall since, as if he did not know that the price of 20 cents (gold, fixed) in 1873 was an abnormal one due to the sweeping destruction of industries in the South by the war, which did not fully re-I have spoken of cotton and wheat, especially the former, as

tion of industries in the South by the war, which did not fully re-cover their normal condition until later. Why do not the gentle-men who make so much of the fall of cotton from 1873 also declaim about the fall of cotton from 43 cents in 1866 to 20 cents in 1873, when silver was at a premium and entitled to free coinage by law? Pray, did not the same causes that made cotton decline between 1866 and 1873 also make it decline between 1873 and 1879?

The statement sometimes made in defense of the stability of silver, that an ounce of it will buy as much of anything as it ever would, and no more, even if true, would only show that silver, instead of being stationary, had been subject to the law of diminishing cost, instead of being stable. The fact is that an ounce of silver will not buy as much of any agricultural product (except cotton and wheat) as it would in 1860. Neither will it buy as much of any manufactured product except the few articles whose cost of production has been reduced one-half by improved machinery. It is inevitable that if the standard of value is stable—as it should be, at least as near as possible—the prices of all articles into whose production labor-saving machinery enters in constantly increasing measure will fall, while the prices of those articles into whose production labor-saving machinery does not materially enter will either remain stationary or rise, if wages rise. And the claim that silver as a unit or standard of value would have and the claim that silver as a unit of standard of value would have averted present falling prices for cotton, cloth, iron, steel, wire nails, and other manufactured products is simply a confession that it is utterly unfit to measure values.

The simple fact is that cotton varied before the war from 54 cents

The simple fact is that cotton varied before the war from 5½ cents in April, 1843, 8 cents in 1849, 7½ cents in 1849, 12 cents in 1850, 18 cents in 1852, 11 cents in 1853 and 1854, 10½ cents in 1855 and 1856, 13½ cents in 1857, and 12 cents in 1859 and 1860, at a period when the cotton seed was a waste product; and after the full reestablishment of Southern industry varied from 11 cents in 1879, 11½ cents in 1880, 12 cents in 1881, 11½ cents in 1882 and 1883, 10½ cents in 1884, 10½ cents in 1885, 9½ cents in 1886, 10½ cents in 1887 and 1888, 10½ cents in 1899, 11 cents in 1890, and 8½ cents in 1891—an average substantially the same in the twelve years before the war and the twelve years beginning with 1879, when the cotton seed was utilized so as to yield a large return and thus practically reduce the cost of production. In 1891 and 1892 the price went down to 8½ cents and 7½ cents, almost exactly what it was in 1848 and 1849, and in 1894 and 1895 went abnormally low under the inand 1849, and in 1894 and 1895 went abnormally low under the influence of enormous crops, the fruit of the bad policy of putting industrial eggs into one basket instead of distributing them and

the influence of the general demoralization of business the past two years, but in the past year it has risen 25 per cent over the

The fall in the price of wheat has been greatly exaggerated by selecting the quotations of the inflation and boom period between 1862 and 1878 and of the New York or London market, distant from the point of production, in consequence of which the great reduction in cost of transportation has been made to appear as a decline in the price realized by the farmer, when, as a matter of fact, this reduction is not a loss to the producer, but a gain to the consumer. Since 1868 there has been a reduction of 25 cents per bushel in the cost of transportation of wheat from the West to New York, and more than this from the farm, not in consequence of fall of given or appreciation of gold but solely because of the

New York, and more than this from the farm, not in consequence of fall of silver or appreciation of gold, but solely because of the improvement of means of communication.

Taking the quotations of spring wheat in Chicago—the great market nearest the wheat fields and therefore the market where the effect of reduction of cost of transportation will be partly eliminated—as I find them given in Commissioner Wright's report for each year from 1840 to 1891, I find that the price between 1878 and 1891—fourteen years—averaged 93 cents per bushel; the highest price being at \$2 at one time in 1888 and the lowest 69½ cents on one day in 1884 and 77 cents in 1878. The average price in 1891 was \$1 and in 1892 81 cents. On the other hand the average price of wheat at Chicago between 1846 and 1860—the same number of years—was 82 cents. The average price between 1840 and 1846 was only 67 cents, frequently falling to 50 cents. Indeed, wheat fell at one time in 1861 to 55 cents, and all this time silver had free coinage by law and did not fall below \$1.30 per ounce. The following average price of spring wheat in Chiper ounce. The following average price of spring wheat in Chicago from 1878 to 1892, taken from Commissioner Wright's tables, with the price of silver for each year, ought to open the eyes of those persons who have swallowed the theory that the price of

Year.		Price silver.	Year.	Price wheat.	Price silver.
1880	1.07± 1.09 1.18 1.15± 1.01±	1. 15 1. 12 1. 14 1. 13 1. 13	1888	.77 .80 1.36 .92 .91 1.00	\$1.06 .99½ .97½ .94 .93½ 1.04½ .98½ .87½

wheat depends upon the price of silver:

Observe the fact that wheat in 1860, when silver was \$1.35\frac{1}{2}\$, was slightly lower than wheat in 1880, when silver was \$3\frac{1}{2}\$, and also that wheat in 1888 was \$1.36\$, with silver at 94, and only 80\frac{1}{2}\$ cents in 1884 with silver at \$1.11\$. Wheat rose in 1879, 1881, 1885, 1887, 1838, and in 1891, notwithstanding silver fell; and wheat fell in 1883, 1886, 1889, and in 1892, when silver happened to fall. It is so clear that the rise and fall of wheat are due to other causes that it is astonishing anyone should attempt to impose upon acredulous public, and especially to base a scheme to put the country on a silver basis, on such an assumption.

credulous public, and especially to base a scheme to put the country on a silver basis, on such an assumption.

The methods by which a class of agitators seek to make farmers believe that the price of agricultural products is bound up in the price of silver is, as I have already said, not only by taking the exceptional articles of wheat and cotton, but by giving the highest New York price (not Chicago price) for one day—not the average price for the year—in depreciated currency in the period from 1873 to 1878, when we had only partly settled down from the boom of war. I have before me a pamphlet published by the agitators for a silver basis, and extensively circulated, in which they give the price of wheat in 1874 as \$1.35 (which it did reach on one day), when the average price in Chicago was \$1.05; and when the pamphlet gets down to 1892 and 1893 it selects, for purposes of comparison, the lowest price on any day. Of course such a dishon-

pamphlet gets down to 1892 and 1893 it selects, for purposes of comparison, the lowest price on any day. Of course such a dishonest presentation to the people of an important subject is a confession that the truth will not serve their purpose.

By taking advantage of the exceptionally low prices which have prevailed for wheat as well as everything else in the industrial and business depression of the past three years—a period in which the shrinking of the consuming power of the people, and consequently the demand for products, by well-known causes having no relation to silver, has forced prices temporarily below the paying point—these agitators have created the impression that the cause of our industrial ills is to be found in the decline of the price of that metal, and that the remedy is to depreciate our unit or standard of value.

or standard of value.

While the decline in the price of wheat, setting aside the exceptional period from 1862 to 1878 and the present depression, has by no means been so much as represented, yet there is no doubt that the tendency has been for several years to lower prices, although, of course, short or abundant crops always cause great variations

of price. Whatever effect the silver situation has had on the decline, even on the theory of the advocates of silver monometal-lists, has been due entirely to the fact that India, one of the com-peting wheat-growing countries, is on a silver basis, in consequence peting wheat-growing countries, is on a silver basis, in consequence of which it has been possible for Great Britain to buy silver at a discount and use it in purchasing wheat in India at a price which afforded an extra discount to the purchaser, and therefore tended to force wheat lower than it would have been if India's currency had been on a low basis. It is surprising that those who present this as a reason why wheat growers in this country should favor a silver basis here do not see that such a fact is a strong argument. for us to maintain our currency on a gold basis, making our silver equal to gold, for the reason that a silver basis would place us at the same disadvantage as to the real price obtained for our wheat that India now is. While true bimetallism—that which would give us both gold and silver equal in value to gold—would be of great advantage, silver monometallism and a silver standard would place my where Ludie and Mexico are

would place us where India and Mexico are.

The chief causes for the declining tendency of wheat, unlike the tendency of most agricultural products, outside of the great reduction of cost of transportation, are to be found in the rapidly increasing competition of Argentina, India, Russia, and other countries, and in the fact that wheat has been cultivated in the great Northwest in recent recent recent the little hand labor and so terms. Northwest in recent years with so little hand labor and so extensive a use of labor-saving machinery and on so large a scale as to introduce economizing methods.

The fact that neither corn (a more important crop than wheat),

bacon, lard, pork, beef, butter, eggs, hay, potatoes, nor most other agricultural products has declined on the whole since 1860, or even 1878, shows conclusively that exceptional causes have affected wheat and cotton, for if the decline of wheat and cotton had been caused by a fall of silver and appreciation of gold, then there would have been a similar decline of other farm products. The following movement of prices of many farm products since 1878, taken from the report of the Bureau of Statistics, which gives New York prices, will serve to emphasize this conclusion:

Year.	Corn.	Bacon.	Lard.	Pork.	Beef.	Butter.	Eggs.
1879	47	6.9	7	5.7	6.3	14.2	15.8
	66	9.9	11.6	9	8.5	19.3	19.3
	54	9.2	7.9	7.8	7.5	16.8	21.8
	474	8.6	8.6	7.4	5.5	16.5	13.8
	55	8.1	7.2	6	5.7	16	18

In the report of the Statistician of the Agricultural Department for 1894 the following average prices on the farm or at the near-est local market for wheat, corn, and oats from 1880 to and in-cluding 1894 fully substantiates the view that there has been no such general decline of prices of farm products as would indicate an appreciation of the dollar measurer. We call attention to these statistics, indicating that wheat and cotton are the only articles that have fallen:

Year.	Wheat.	Corn.	Oats.
1880	\$0.95	\$0.394	\$0.38
1881	1.19	.484	. 404
1883	. 91	.424	. 324
1885	.77	.321	.281
1887	681	.861	. 291
1868	.924	.341	.271
1890	.694	. 281	. 23
1891	.84	.401	.31
1892	.624	.861	, 294
1894	.49	.454	. 32

The average price of corn (which is the most important farm crop) was 39½ cents between 1879 and 1889, and 42½ cents between 1889 and 1894.

1889 and 1894.

The average price of oats in the first period was 31 cents, and in the second period 33 cents. The value of the oat crop was about the same as that of the wheat crop.

I notice in the "fiat" publication to which I have alluded that even the decline in wool is referred to as having been brought about by a decline of silver, when the fact is that wool has fallen 11 cents in this country since 1892 because, first, of anticipation and then as a realized result of the removal of the 11 cents duty or wool, and the decline before that period in the price of wool on wool; and the decline before that period in the price of wool in the world's markets was due to the increase of production in South America, Australia, and South Africa, where sheep do not require to be housed or fed. Wool in London is slightly higher to-day than it was in 1892, but 11 cents lower here.

VALUE AND PRICES.

But, Mr. Speaker, there is an entire misapprehension in many minds as to what prices really are. Price and value are confounded. Value is the relation of one product to all other prodfounded. Value is the relation of one product to all other products; in other words, how much of other products any one product will exchange for. Price is simply the relation of any product to the unit or standard of value; in other words, how much of gold any one product will exchange for. There can not be such a thing as a general fall or rise of values (and value is the essential thing), because so long as products maintain the same relation to each other (all rising or falling together) there can be no change in their value. One product may rise or fall in relation to other products, and this would be a real increase of value of that particular article.

There may be a general fall or rise of prices, caused by a vari-

There may be a general fall or rise of prices, caused by a variation of the value of the standard or measure, but this would not be a fall of values. The value of a bushel of corn continues the same so long as it will exchange for the same quantity of other products, although its price may be changed by an appreciation or decline of the standard of value. When the standard of value appreciates and thus causes all prices to fall, this does not change in the least the value of any article (although all bear a less price), for the reason that each article continues to exchange for the same quantity of other products as before.

quantity of other products as before.

If, for example, we should listen to the appeals of the "flat" money advocates who want a "cheaper," that is a less valuable, dollar, and make 50 cents' worth of silver coined into a dollar our standard of value, in order to raise prices, we would find that, in suddenly lifting prices in this deceptive way we had accomplished nothing except to deceive those who had been led to believe that we should have more cloth by cutting the yardstick used in measuring into two parts of 18 inches each, or more money by dividing our measuring dollars into halves. Prices raised by the restoration of confidence, the resumption of industrial operations, and the increase of demand for products are real blessings. Prices raised by depreciating our standard or measures of value give no one more of other products for his corn, or wheat, or pork, or beef, but on the contrary create distrust, and in the end only evil. Who can measure this?

If such a scheme gives us more so-called dollars, those dollars are diminished in purchasing power at least to the extent of their seeming increase in number; for it must be remembered that whatever one produces he sooner or later desires to exchange for what others have produced. Money is only the medium by which the exchange is effected. Indeed, when the money used in ex-change is depreciated or of doubtful value, an extra share is always taken by some intermediary, which comes partly out of producer and partly out of consumer, for the risk of change of value dur-ing the time required for distribution of products. That standard of value and that money best serves the people which has the largest degree of confidence of the commercial world.

All of our money now, notwithstanding five hundred millions—with that back of the Treasury notes, six hundred millions—of it is silver, is equal in value to gold, and prices are adjusted to this basis so far as the standard of value affects prices. This adjustment has been going on since 1834 with so slight annual changes as in no manner to disturb exchanges. Imagine the tremendous shock that would be given to all our immense business, to all of our exchanges, to all of our markets, by the sudden change of our standard of value from gold to silver involved in free coinage of silver at 16 to 1, and the sudden substitution of a dollar of 50 cents for a dollar of 100 cents as the measurer of prices. for what possible advantage?

THE DEBT-PAYING EXCUSE.

Mr. Speaker, the only possible benefit that I have ever heard suggested as the result of this tremendous leap in the dark is that "cheaper" dollars would make it easier to pay debts, which of itself is a confession that free coinage of silver at 16 to 1 is not exitself is a confession that free comage of saver at the pected to make silver and gold coins of equal value. This is the pected to make silver and gold coins of equal value. This is the inwhole of it. This is the meat in the cocoanut. This is the insinuating argument which reaches thousands, although they may not be ready to confess it.

Of course where there were debts contracted previous to the Of course where there were debts contracted previous to the adoption of free and unlimited coinage of silver at 16 to 1 on the basis of a 100-cent dollar, where 100-cent dollars had been borrowed or purchases had been made at prices measured by 100-cent dollars, the sudden adoption of a 50-cent dollar as the standard of value would give the creditors the legal (not the moral) right to discharge such debts by paying in the new depreciated money—that is, by paying 50 cents on the dollar. From one point of view that would benefit the debtor and injure the creditor to this extent, provided the creditor should not demand payment before the scheme of depreciating the currency could be carried out, as he certainly would.

But the apparent benefit to the debtor would end here. Every

new debt contracted and every new purchase made would be on the basis of the new depreciated dollar or standard of value. The probabilities indeed are that the apparent advantage gained by the debtor by this legalized robbery (for discharge of a debt by depreciating the standard of value has not the justification of an insolvent or bankrupt law which relieves debtors who can not pay, for the reason that the former relieves those who are abundantly able to pay as well as those who are not) would in the end prove a curse rather than a benefit by the shock it would give to confidence, which is not only the basis of credit but of commercial

Such a deliberate plan to rob creditors so shocks the moral sense that it becomes nec that it becomes necessary to invent a seeming excuse for it. And the excuse is that the dollars which the debtor promised to pay the creditor have been increased in value by the appreciation of the gold

unit to an extent that justifies their payment in depreciated silver.

Let us see, Mr. Speaker, how much basis exists for this excuse.

The highest estimate that any scientific authority makes of the of 1 per cent per annum, substantially the same as the depreciation between 1870 and 1890—for such experts believe that there has been no appreciation since—is one-half of 1 per cent per annum, substantially the same as the depreciation between 1850 and 1865. The great mass of deferred payments average about nine months. Certainly there was no material change of the dollar in any one year, or even two years, since the return to specie payments in 1879. And the amount of debts which continue more than two years is proportionately expell. which continue more than two years is proportionately small. At any rate, the existing indebtedness contracted prior to 1800 for since that time it is probable there has been no appreciation of gold, at least none of any importance—is very small outside of the bonded indebtedness of railroads. And in most cases of railroad bonded indebtedness, especially at the West, the bonded debt is practically a perpetual annuity, both roads and bondholders being content with the payment of the semiannual interest. And as the rate of interest is lower than it ever was prior to 1879, this burden on debtors has been reduced instead of increased. Indeed, the fact that the cost of the rent or interest of money (gold or its equivalent) is 25 per cent less than before the war, and less than ever known before, is very convincing evidence that there can not have been any material appreciation of the money itself. The rise or fall of the rental or charge for the use of any form of wealth is a gauge of the movement of the value of the wealth

But it is urged with much vehemence, as a reason for practically repudiating a part of existing indebtedness by depreciating the money, that it requires 2 bushels of wheat to pay a debt where 1 bushel would have sufficed fifteen years ago.

The answer to this insinuating excuse for repudiation is First, that while it is true that in consequence of the complete demoralization of business and industry prices have exceptionally fallen during the past three years—wheat and cotton almost alone of agricultural products having fallen since 1879—yet in 1889, 1890, and 1891 1 bushel of wheat would pay more indebtedness than it would have paid in 1860, 1861, 1878, 1884, 1885, 1886, or 1887; and in 1892 1 bushel of corn, 1 pound of pork, 1 pound of butter, 1 pound of bacon, 1 dezen of eggs, and 1 unit of almost any article of farm produce outside of wheat and cotton would pay more indebtedness in Chicago, or even New York then in 1879 or on the average in Chicago, or even New York, than in 1879, or on the average

before the war or since 1879.

Second. That while money, in whose terms all indebtedness must be stipulated, varies but slightly in value from year to year, must be stipulated, varies but slightly in value from year to year, while products vary much in value—some rising and others falling—so it will happen from the necessity of the case that it requires sometimes more and sometimes less of products to make a deferred payment at maturity than it would have required at the date of the contraction of the debt; yet as the prices of products in the long run are eventually made by the labor cost of productions. tion, and permanent falling prices mean simply that machinery and labor-saving devices have been used in larger measure, the ultimate payment of all indebtedness is really made in labor (or fruits of labor); so that the fact that in case of a deferred payment it may happen that more of a particular product is required to pay a certain amount of indebtedness at maturity than would have been required when the debt was contracted is not necessaevidence that the payment costs more of labor.

Third. That the fact that wages (the compensation paid labor) increased every year from 1860 to 1892—the wages of 1892 having been 60 per cent higher than in 1860 and all deferred payments been to per cent higher than in 1800 and an deterred payments being ultimately paid in labor—is conclusive evidence that the burden of discharging indebtedness has not been increased as charged, but, on the contrary, lessened from year to year since 1860 and 1878 down to and including 1892.

What has happened since 1892 is exceptional and abnormal, as I have already explained, and furnishes no basis for intelligent

comparison.

What I have already said as to the means by which deferred payments are really met is a sufficient answer to the suggestions

of those who never get below the surface of economic and mone-tary questions, that the magnitude of the indebtedness of our tary questions, that the magnitude of the indebtedness of our people is such that we can not hope to pay it in gold, but must necessarily pay it in something depreciated. Debts, I repeat, are not paid in gold or money even, but in products, or, in the last analysis, the labor which produces products. It must be assumed that every dollar our people have borrowed abroad or here has been invested profitably; that is, in such a way as to pay the interest charge on it and leave a surplus to the debtor. It must be assumed that those who have borrowed had their means of payment more than proportionately increased by the transaction. When a farmer borrows to obtain means to enlarge or improve his farm; when a manufacturer obtains loans to enlarge his plant: his farm; when a manufacturer obtains loans to enlarge his plant; when a business man borrows to extend his facilities for distribu-tion, and when the projectors of a railroad borrow to construct improved means of transporting products to market, it is reason-able to infer that, as intelligent men, the indebtedness which they have incurred will eventually increase their assets far be-

yond the increase of obligations.

I have no patience with that class of unthinking or reckless agitators who endeavor to arouse prejudices between creditors and debtors, between the men who have loaned their surplus means and the active men who regarded it at the time a great favor to be able to borrow this surplus means and use it in developing the

West or the South to the advantage of the whole people.

I have here a pamphlet published by this class of public enemies, the whole burden of which is an effort to arraign the South and West as debtor communities against the East and New England West as debtor communities against the East and New England as creditor communities. The unholy and unpatriotic mission of the pamphlet is set forth by a full-page cartoon which represents a well-fed and thriving cow at whose head is pictured the debtor West feeding liberally with the bounties of the farm and getting nothing for its work, while at the other end of the animal sits the creditor East drawing all the milk. The impression sought to be conveyed is that the West is growing poorer and poorer with its commercial and political relations to the East, while the East is drawing in the riches of the West and fattening on the spoils.

If such demagogues, who seek to carryout some selfish schemes by such groundless and unpatriotic appeals to passion and prejudice, could be persuaded to seriously think not only of the unreasonableness of their position but also of its disregard of official

somableness of their position but also of its disregard of official facts, they would be ashamed of themselves.

It would be strange indeed if the older sections of our country had not accumulated some surplus capital, not required for their fully developed States, which they would be willing to loan; and if the younger sections, with a rich virgin soil to be tilled and immense resources awaiting development, should not seek and hire this capital in order that the West might grow richer and more populous than it could have otherwise done. For certainly it must

supposed that the sagacious business men and farmers of the West obtained such loans for their own advantage, notwith-standing the demagogues who publish such stuff as I have referred to seem to think that Western financiers were fools. Indeed, a glance at the wealth statistics of the last census shows very clearly that the West has made a good use of the surplus capital which they borrowed at the East. According to the census, the five di-

1890 as follows:

	Increase.	Per in- habitant, increase.
North Atlantic division (New England, New York, etc.) Western division North Central division South Atlantic division South Central division	Per cent. 21 200 60 110 70	\$23 959 197 84 148

Evidently those who pictured the East increasing enormously in wealth at the expense of the West forgot that the official sta-tistics spoiled their cartoon, for the official evidence shows that the wealth of the West per inhabitant increased forty-five times

the wealth of the West per inhabitant increased forty-five times as much as New England.

They also overlooked the fact that their assumption that the West was exclusively the debtor section of the country and the East exclusively the creditor section is contradicted by the official figures. According to the census of 1890 the per capita State, county, and municipal debt of New England, New York, New Jersey, and Pennsylvania was \$26.89; while the similar per capita State, and over the 19 Control Western States was only \$14.89; and over

Jersey, and Pennsylvania was \$26.89; while the similar per capita debt of the 12 Central Western States was only \$14.39; and even of the Western States beyond the Mississippi, only \$22.09. Even the public debt of Great Britain is \$87.79 per inhabitant.

The fact is that there are no distinctively creditor and no distinctively debtor States or classes of citizens. Nearly all of our citizens, outside of our workingmen, who are creditors only, are both creditors and debtors. As a rule, the heaviest debtors are active business men of large wealth. Even bankers are debtors to as

great an extent as they are creditors, for they bank on funds lent or deposited with them. The deposits of all the savings, national, State, and private banks, very largely made by workingmen, are over four thousand millions of dollars; and that class of our people would suffer directly more than any other by this proposition to scale down debts by depreciating our money.

Depreciated money means also lower wages and salaries estimated in purchasing power, a reduction of pensions, the overthrow of credit, and general distrust.

THE BEST MONEY FOR ALL

Mr. Speaker, I have heard it frequently said by way of advocacy of a depreciation of our money that gold—the gold dollar or its equivalent, whether silver or paper—is the money of the rich, and silver—the depreciated silver dollar, as it would be under free and unlimited coinage at 16 to 1—is the money of the poor.

I know of no reason, Mr. Speaker, why the poor should have a less valuable dollar than the rich; no reason why the workingman should receive for his labor a dollar that will buy any less than the dollar paid the rich. All, whether poor or rich, laborers or bankers, are entitled to receive the best money there is—money every dollar of which is equal in value to gold and will purchase as much of the necessaries and comforts of life as the gold dollar.

WOULD A SILVER BASIS BE BENEFICIAL?

Mr. Speaker, it would be a very serious step by one act of legislation to suddenly change the unit and standard of value in this country from a dollar of 100 cents to a dollar of 50 cents and drive gold from our currency, which would be the inevitable and speedy result of the free coinage of silver at 18 to 1 by this country alone.

I know that those who are back of this movement laugh to scorn the suggestion that it would be much of a shower, and even depict in glowing terms the grand results that would follow our discarding the standard of value of Europe and joining Mexico and the South American States and China.

I have here a pamphlet entitled A Silver Basis, published by the American Bimetallic League—the organization that is pushing and molding the 16 to 1 scheme—in which it is affirmed that, as the writer understands the so-called "double standard" which it is intended to adopt it contemplates not "the constant contemplates are the so-cartant contemplates and the so-cartant contemplates are the so-cartant contemplates. the writer understands the so-called "double standard" which it is intended to adopt, it contemplates not "the constant contemporaneous circulation of both gold and silver," but that "when the silver dollar becomes cheaper than the gold dollar * * * the employment of gold should cease and the entire money service be performed by silver alone"; and in which the idea that there is any purpose to make our money as good as gold is repudiated. And having laid down this platform of silver monometallism, which repudiates bimetallism notwithstanding it is still flippantly called by that name, the writer goes on to argue at length on the alleged advantages of having a silver basis and only silver for metallic money.

metallic money.

Inasmuch as the adoption of the scheme of free and unlimited coinage of silver at 16 to 1 by this country alone means this and nothing more, the so-called American Bimetallic League—whose name should now be changed to Silver Monometallic League, so as to have their name correspond with their real end—is to be constituted as the scholar and the sch gratulated on frankly meeting the real issue involved in the 16 to 1 scheme, viz, whether this country will make silver its sole metallic money and standard of value.

A SILVER BASIS AND FOREIGN TRADE.

After pointing out that the adoption of the silver dollar, worth half as much as a gold dollar, would open the way for the payment of our national debt in such depreciated dollars, and thus save one-half of its amount, notwithstanding every dollar borrowed by the Government was gold, the writer of this American Bimetallic League plea for "a silver basis" goes on to argue that while the adoption of a silver basis on our part might "increase the fluctuations of the rate of exchange" in our trade with the gold-standard nations of the world, whose population is put at 300,000,000, this would be offset by closer trade relations that would come with the silver-basis countries of Central and South at 300,000,000, this would be offset by closer trade relations that would come with the silver-basis countries of Central and South America and Asia, including Russia (which is not on a silver but a depreciated paper basis), whose population is placed at 900,000,000, or 800,000,000 deducting Russia. In this estimate of silver-basis countries the pamphlet includes Cuba and Puerto Ricand the British, Danish, and French West Indies on a gold basis; Brazil, which is by law on a gold basis, but, in fact, on a depreciated paper basis, and Chile and Argentina, which are on a depreciated paper basis. So that the only countries on this continuous and silver basis are Mexico, Central America, Venezuela, Colombia, Uruguay, and Bolivia.

nent on a silver basis are Mexico, Central America, Venezuela, Colombia, Uruguay, and Bolivia.

I have heard so much in sounding rhetoric of the great trade of silver-basis countries ready to pour into our ports if we would only adopt such a basis that I am pleased to have the opportunity afforded by this silver appeal to contrast it with the volume of our trade with countries on a gold basis. The suggestion that there are two or three times as many people doing business on a silver basis as on a gold basis sounds very enticing until we come to

measure the fact that the barbarous or semicivilized races of the earth said to do business with silver and copper alone have very

little production and very little trade comparatively.

I find that in 1893 of our sixteen hundred millions of foreign trade nearly thirteen hundred millions was done with countries on a gold basis, of which seven hundred and sixty-five millions was exports and five hundred and thirty millions imports, and only one hundred and seventy millions with countries on a silver basis, of which only fifty-two millions was exports and one hundred and seventeen millions imports, together with one hundred and fourteen millions with Brazil, Russia, Argentina, and Chile, on a mescaled representation of the seventeen basis.

depreciated paper basis.

The proposition of this silver-basis writer, then, is to have this country break its monetary tie with countries with which our foreign trade mounts up to thirteen hundred millions, and to which we sell seven hundred and sixty-four millions of our exports, including nearly all of our agricultural products, and thus increase the friction and expense of exchange, which necessarily to that extent diminish the prices received for our exports, in the glittering and airy hope of offsetting our losses in this direction by our gains in dealing with silver-basis countries, whose trade with us reaches one hundred and sixty-nine millions only, of which only fifty-two millions is exports from this country.

Why, our trade with Great Britain alone in 1893 was six hundred and fourteen millions, of which four hundred and twenty-one millions was exports and one hundred and eighty-three millions imports—more than double the entire foreign trade of the silver-basis countries of the world.

It is only necessary to state the facts, without comment, to show every thinking man how absurd, not to say stupid and reckless, is the scheme to put this country on a silver basis to catch the trade of silver-basis countries.

One of the most serious objections to going to a silver basis is the fact that it would place us not only on a different value basis from the rest of the commercial world, with which most of our foreign trade is carried on, but also that it would place us on a fluctuating silver basis instead of a comparatively stable basis, and this increased fluctuation of exchange would introduce a new element of risk in dealing with us, against which there must be an insurance charge that comes out of the exporter of wheat, flour, pork, bacon, beef, etc., and the importer of foreign products, and is by him transferred to the farmer who grows the grain or the consumer who buys the sugar, coffee, etc.

After all the articles that have been published by bimetallists

pointing out the losses to which silver-basis countries are subject by the world's hesitancy to adopt true bimetallism, it would indeed be a strange result if the advocates of free coinage at 16 to 1 by this country alone should succeed in forcing us to a silver basis and to subjection to such losses also.

EFFECT OF SILVER BASIS ON DOMESTIC TRADE.

Mr. Speaker, having considered the arguments adduced in favor of a silver basis in its bearing on our foreign trade, I now desire to examine the assertions of this writer, having the approval of the American Bimetallic (so called) League, that a silver basis would benefit our domestic trade and increase the prosperity of our people.

An important change of a monetary standard, even when it comes comparatively gradually, as it did during the war, and has the increased consumption of war as an offset, is always a serious matter. But the change of the unit or standard of value from the gold dollar, composed of 100 cents' worth of gold bullion, to the silver dollar, containing 50 cents' worth of silver bullion, as proposed by the advocates of free and unlimited coinage of silver at 16 to 1 by this country alone, would come suddenly, and the whole brunt of it would have to be borne by our own people.

posed by the advocates of free and unlimited comage of silver at 16 to 1 by this country alone, would come suddenly, and the whole brunt of it would have to be borne by our own people.

Legislation proposing such a great and sudden change in the currency of this country is of far graver import than, I think, is fully appreciated by most of its advocates. The currency of any country is the lifeblood of its commercial existence. Consider for a moment the extent of the commercial transactions of this country into which the value of the legal-tender dollar enters.

The transactions through the national banks alone reach one hundred and twenty billions appuelly more than two thousand.

The transactions through the national banks alone reach one hundred and twenty billions annually, more than two thousand millions every week, four hundred millions every secular day, forty millions every hour—in all of which the value of the standard dollar is the controlling element. Not a bushel of wheat, not a bushel of corn, not a pound of hay or cotton, not a yard of cloth, not a day's work is sold or bought into which this value does not enter. Surely legislation which proposes to suddenly disturb this value to the extent of 50 per cent should be advocated with bated breath.

Commercial prosperity can only exist under permanent and settled conditions—at least, conditions so nearly permanent that annual changes are reduced to a minimum. And nothing promotes distrust, paralyzes trade, discourages investments, closes avenues of employment, and diminishes wages so effectually as a

demoralized and depreciating currency. One of the most graphic of Macaulay's chapters is that in which he depicts the gloom and palsy which brooded over England at the close of the seventeenth century in consequence of the depreciation of the current silver of the Kingdom, caused not by a decreased market value per ounce, as in this case, but by the constant wear and clipping of the coins in use. And yet, in the face of the warnings of the past, we have those who have deluded themselves with the idea that prosperity can be conjured by clipping the dollar by law.

RISING PRICES, ABUNDANT MONEY, AND PROSPERITY.

But we are told that by depreciating the dollar we shall make prices rise, and that rising prices always stimulate trade.

That depends upon what causes rising prices. If the rising prices are caused by increased activity—especially after a season of depression—by the increased purchase and consuming power of the people, then indeed they are healthy and stimulating. Such rising prices are to be sought after by every means at hand, and are in fact the concomitant of a sound monetary system. Unquestionably one of the causes that has aided during the past three years in strengthening the distrust that originated in a disturbance of our economic system, as well as with the inevitable cycles of boom and rebound that accompany the intensity of modern industrial life, has been a growing fear that we might not eventually be able to maintain the stability of our currency.

But rising prices made by clipping the dollar which measures prices—prices which rise only in imagination, only by calling 18 inches a yard and 50 cents a dollar, and never in reality—are a cheat and a lie, and while they may produce temporary intoxication, in the end bring curses rather than blessings.

It must be borne in mind that the accepted quantity theory of

It must be borne in mind that the accepted quantity theory of money and prices is not, as some persons erroneously suppose, that the volume of outstanding money, but that the volume of circulating or used money, including paper and token, as well as full redemption money, and also such substitutes for money as checks and bills of exchange, makes prices. Money hoarded or unused has no effect on prices. Those persons who think they can raise prices by coining or issuing more money, regardless of the demand for use, without changing the value of each dollar, misunderstand the nature and uses of money. For, however much each of us would like to have more money if we could get it without giving an equivalent for it, none of us is prepared to buy more than we require for use. Every well-adjusted currency system should have provision for an increase in response to a demand; but the demand is in proportion to the activity of business, and activity of business is largely dependent upon confidence, while nothing impairs confidence more than schemes to demoralize and depreciate money.

This is a sufficient answer to the assertion of this "silver-basis" advocate that abundant money, without regard to its quality or whether it is used or unused, and high prices, without regard to whether they are real or apparent, promote national prosperity. Abundant money used, which is only another expression for business activity, is promotive of prosperity. But however large may be the volume of money unused—indeed we never had so large a volume of money outstanding and so large a proportion unused as we have had the past three years—it has not the slightest effect in raising prices (so long as the dollar is not depreciated) or pro-

moting prosperity.

The assumption that a silver basis would give us more money is without foundation. Under free and unlimited coinage by this country alone, for reasons which I have already shown, the value and purchasing power of each coined silver dollar would be in a short time the value of the silver bullion in it—not much exceeding the present value of such bullion. Prices generally would apparently—not really—rise to keep pace with the diminished value of the measurer. Inasmuch as the silver dollar when coined could be no more valuable and have no more purchasing power than the bullion in it uncoined, as is now the case with gold, there would be no inducement to coin silver beyond the demands for business, and to supply the loss of gold. Of course, as the purchasing power of the new dollar would be largely diminished, it would require raore of them to do the same business as before. The result would be that with the drop to a silver basis there would for a time be less money than before, and in the end no more abundant money, so far as effectiveness goes, than before. The loss in quality, in stability, in confidence, however, would be incalculable.

UNITY OF NATIONS IN MONETARY RELATIONS

Mr. Speaker, there is another serious objection to the proposition to abandon the common monetary unit of grains of gold, which has practically been the standard of value of this country since 1834—barring the depreciated paper period—and substitute for it the standard of grains of silver as well as silver monometallism, and this is, that our present standard is not only that of the commercial world but practically the monetary unit to which are adjusted the prices of every market.

It is sometimes asked why the United States should follow the

great commercial nations in adopting grains of gold as the standard of value. Why not have a monetary policy of our own, it is asked, and adopt a more plebeian substance—silver, for example? It might as well be asked, Why slavishly follow the Old World and use steel screw steamships to navigate the oceans? Why not continue the exclusive use of the old wooden sailing vessel, a more plebeian ocean transport, and maintain an independent sys-

The answer is plain. The steel screw steamship has proved to be the best instrument of quick and convenient transportation of persons and most property, although the sailing vessel still continues to do good service in its proper place; and grains of gold have been found to be so much better adapted to the purposes of a standard of value, and so much nearer stable than any other substances that he convenience and the standard of value, and so much nearer stable than any poses of a standard of value, and so much nearer stable than any other substance, that by common consent the commercial world has made them the world's measurer of value, and will always continue to use silver as money adjusted to this standard. And any country that sets up any other substance as its standard of value finds itself not only out of adjustment with the world's measurer and subjected to friction and extra expense, but also trammeled and inconvenienced in its domestic exchanges by a more fluctuating standard into which it has to daily translate the pulses of commerce. pulses of commerce

It must be remembered that in these days of steam and tele It must be remembered that in these days of steam and telegraph the whole world is one in a very important respect. There now can be no surplus of money or merchandise anywhere in the world that is not hurried to fill the shortage, if there be one anywhere. This facility of transfer tends to equalize values throughout the world. We know every evening what has been going on in every part of the world during the day—the condition of the crops, where there is a surplus and where there is a shortage; and in every great market supply and demand meet, and the adjustment of prices takes place, and the language in which those prices are expressed is grains of gold.

justment of prices takes place, and the language in which those prices are expressed is grains of gold.

It is absurd—yes, suicidal—for us to think for a moment that we can or should get outside of the world's commercial current and set up a standard of value which the world has laid aside because experience has shown a better and more convenient one.

But in continuing the standard of value which we have found so useful it should be borne in mind that we shall continue to use the largest amount of full legal-tender silver possible with a maintenance of its parity with gold, and at the same time we do not in any manner relax our efforts to have the world also continue the use of silver as money, in free and unlimited coinage, too, at not in any manner relax our efforts to have the world also continue the use of silver as money, in free and unlimited coinage, too, at such a ratio as will make gold and silver coinage equal in value everywhere. For when the leading commercial nations unite in an agreement which establishes a fixed coinage ratio of gold and silver throughout the commercial world—the only method in which full bimetallism can be secured—then there will be one common standard in international trade, and that standard will still be gold or insequivalent.

Speed the Plow-It Feeds All-The Condition of the American Farmer.

SPEECH

HON. HARRY SKINNER.

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 10, 1896,

On the joint resolution to adjourn Thursday, June 11, 1896, at 4 o'clock.

Mr. SKINNER said:

Mr. SKINNER said:

Mr. SPEAKER: The managers of the Senate and House have agreed and arranged that this resolution of adjournment shall pass, and that the first session of the Fitty-fourth Congress shall close at 4 o'clock to-morrow. To resist the passage of the resolution would doubtless prove futile, and a persistent and protracted effort with this purpose would be regarded as trifling with the desires of the great majority on both sides. Notwithstanding I can assign cogent reasons why the resolutions should not pass and present overwhelming evidence why Congress should remain in session until they shall work out some relief to the depressed, distressed, and almost despairing people.

In these closing scenes I have observed that the mind and heart of the Republican party are at St. Louis, and consequently centered upon the best interest of their party and the success of their personal favorites. The Democratic leaders are looking to Chicago, and their anticipated declaration for the free coinage of silver at 16 to 1, as the star of hope that at least will preserve their organization from disintegration and restore them to the confidence of the people. Mr. Speaker, the Democratic party is prolific in good

platforms and party promises, but it is a better platform breaker. The past indicates that they make platforms to get on and off, and not to keep. From 1868 to the present hour there is not a single plank in any national platform that they have not repudiated, and consequently they have deservedly lost the confidence of the plain, honest masses, whose champion they professed to be, and whose interest they should have faithfully guarded.

A DESIRE FOR FREE COINAGE AND PROTECTION.

I feel, I know, personal contact has convinced me, that there are sincere and honest advocates of free silver at 16 to 1 in this House both in the Democratic and Republican parties. These, together with the Populists, have a common cause, a cause higher and stronger than party ties, because in that cause is involved the strength, stability, and continuance of American institutions, the contentment, happiness, and prosperity of the American people. I had hoped, Mr. Speaker, that those of this faith and order might get together and pull together, forgetting old party ties, and thinking only of the perpetuity of our institutions and the prosperity of the American people. The common ally of the bimetallist is the protectionist, not the sectional or class protectionist, but the broad-minded American protectionist, the protectionist that would protect labor against immigration and convict and pauper labor; the protectionist that will care for the fields as well ist that would protect labor against immigration and convict and pauper labor; the protectionist that will care for the fields as well as the shops; the protectionist that wants and desires to protect all and every interest in this country so as to bring that equalization that will assure the greatest good to the greatest number. Bimetallism and this class of protection are one and inseparable, Consequently I had hoped that the protectionist of this order in the South and West, together with the bimetallist at 16 to 1, might come together and make a common battle against monopoly, combine and trust, and the single gold standard, and thereby save the Union, restore confidence to the people, and reinstate conditions from which may be evolved a hope for the future.

THE OPPORTUNITY OF DEMOCRACY.

The Democratic party has a grand opportunity just ahead of it. It remains to be seen if it possesses the wisdom, the statesmanship, the patriotism, the intuition, the inspiration to take advantage of the ripened fruit and pluck it, not for the eclat or success of their political organization, but for the good of the country and the material benefit of the people. To do so they must so act at Chicago as to convince the people that they are the organized force capable and patriotic to espouse and defend their cause. They must, so far as practical, disassociate themselves from the goldbug Exastern Democracy: so long as these enemies of the people are permust, so far as practcal, disassociate themselves from the goldbug Eastern Democracy; so long as these enemies of the people are permitted in their council, so long will the people look upon Democracy with suspicion, and justly so, because they will always constitute a respectable and very powerful minority of the Democratic party, and will always be effectual in defeating measures that mean relief to the people by uniting with the minority party. Will the leaders of the Democracy permit me to blaze the way for them? Let every Democrat that favors free silver at 16 to 1, with or without an international agreement, meet in Chicago at least three days in advance of the national convention. Let the distinguished Senator Jones, of Arkansas, call a caucus of the silver forces at least two days before the national Democratic convention, a conference to be provided for by this caucus. Let them invite the ference to be provided for by this caucus. Let them invite the executive committee of the Populists, the bimetallists, and the silver Republicans to meet them at least one day before the meeting of the Republicans to meet them at least one day before the meeting of the national Democratic convention and make an honest effort in this general conference of the silver forces to name such a ticket as will be satisfactory to the silver Republicans and that will be ratified by the two conventions that will meet in St. Louis July 22. In this conference let the good of the people—the success of silver—prevail, and you will sweep the country and bring dismay and disaster to time servers and enemies of the American institutions and American procedures. tions and American people.

RESULT OF PARTISANSHIP.

On the contrary, if you meet in a clannish manner, looking alone to your political organization, and you make no conciliations or concessions to the honest, patriotic silver sentiment of the country, then you await a defeat not only of the ticket that you shall name, but an elimination of the word Democracy from the political dictionary, and upon your wreck and ruin a true People's Party will be increased into numbers sufficient to sweep the country in A. D. 1900. If I desired party success I should want you to so act: But I want and the people I represent want action now and without delay. I am careless or indifferent as to the name in which relief shall be vouchsafed to the people. What we want is relief, and we will take it from the Republican party, the Democratic party, the silver party, or a party of any other name; but it occurs to me that the People's Party is the proper name in which to win a great victory that means a real people's victory. A people's victory means the restablishment of conditions that meaneth life, hope, and contentment to the people, out of which can be secured a higher state of civilization and a greater capacity to enjoy the blessings and wise provisions of Providence.

TELLER AND SOME YOUNG SOUTHERN SILVER MAN.

I do not desire the privilege of naming your ticket, but only to suggest that a ticket named under these conditions would mean success in November. If you will permit me, I will suggest that a national figure such as H. M. Teller, of Colorado, who led the battle against the force bill and has constantly fought for silver at battle against the force our and has constantly rought for silver at 16 to 1, and now adheres to those principles and places them above party—when his party would give him anything at its command for him to remain silent—such a character and figure around which all the silver forces of this country could and would rally and inspire confidence all along the line, that would marshal the silver forces in such companies, regiments, and brigades as to successfully attack and sout the companies, regiments, and brigades as to successfully attack and sout the companies. cessfully attack and rout the common enemy of America and humanity—the single gold standard—whether fighting the Amer-ican people openly or in disguise.

I may be pardoned for advising the Southern silver Democrat, with whom I have a common feeling and interest to secure the best possible local government consistent with the reign of the people, that the election of H. M. Teller as President of this country would that the election of H. M. Teller as President of this country would mean a better and more substantial recognition of Southern interests and Southern statesmen and policies than could possibly be secured by the election of any straight Democrat in sight. With his nomination you can with impunity take a Southern man as his running mate. I would suggest one without a war record, a young man. I have many in my mind. I will not disparage any by the mention of names, and I only mention Teller, because he stands out like the tall oak, he is a commanding figure at this stage in politics; he can unite the South and West as no other man. stage in politics; he can unite the South and West as no other man

in sight can possibly do.

THE STATUS OF THE POPULIST PARTY.

Mr. Speaker, should the Democratic party, when it meets in Chicago, think that it is strong enough to live and succeed alone Chicago, think that it is strong enough to live and succeed alone without advice, consideration, or council with the other silver forces of the country, then we shall regard them as party servers and proceed with our middle-of-the-road fight to the finish, and we will not be the minority party. We have now the balance of power in the Senate, and as sure as the ides of November shall have passed we will have the balance of power in this House and dictate its organization. The people know that we have kept faith with them. We mean what we say. They can trust us, and they will trust and give us their certificate of confidence in the shape of that small white sheet of paper called the ballot, which falls as noiselessly as the snowflake, but the accumulation of which can arrest the iron horse in progress carrying travel and freight, as well as it can resist the machinations of party leaders and cause tyranny to be resisted and truth established.

TO THE LEADERS OF THE OLD PARTIES.

TO THE LEADERS OF THE OLD PARTIES.

Mr. Speaker, I desire that the leaders of Democracy in this House, including Mr. SAYERS of Texas, Bailey of Texas, Dockery of Missouri, Crisp of Georgia, Little and McRae of Arkansas, Livingston of Georgia, McLaurin of South Carolina, Richardson of Tennessee, McMillin of Tennessee, De Armond of Missouri, and others that I might mention whom I believe to be eighter adversate of free giver. sour, and others that I might mention whom I believe to be sincere advocates of free silver—16 to 1—shall understand before this House adjourns that if they want to succeed and win a victory they must confer before acting at Chicago with such true silverites as the Populists have proven themselves to be and such silver Republicans as Teller, Dubois, Cannon, Allen of Utah, Harman, Towne, and others, and if all these silver forces shall egree and units you will demorphize the Republican party from agree and unite you will demoralize the Republican party from the beginning. They will go into the campaign upon a plea of confession and avoidance; whereas you will go in with the true doctrine of universal protection and bimetallism, one and inseparable, and both necessary to the doctrine of "America for Americans" and the happiness and prosperity of all Americans.

RELIEF IN THIRTY DAYS.

Mr. Speaker, I will never consent to the resolution to adjourn. If the President, if Democrats and Republicans in the House and Senate would for thirty days forget that they belong to any political party and would act as the Populists have desired to act and have acted, and Congress should remain in session thirty days, I believe, by conference or otherwise, some legislation might be reached that would give the people relief; but as long as we place party victory in advance of the people's interest the people must suffer, and no relief will be in sight.

Mr. Speaker, when I appeal to the action of the Populists in

suffer, and no relief will be in sight.

Mr. Speaker, when I appeal to the action of the Populists in the House and Senate as a guide for the silver Democrats and Republicans, I do so for the purpose of challenging the closest scrutiny as to their conduct, their action, their votes, and the measures introduced by them in the Fifty-fourth Congress. I can, in these closing hours of the first session of the Fifty-fourth Congress, point with pride and satisfaction to the record made in this Congress by the Populist party. We have been few in numbers but constant in industry, punctual in attendance, attentive to business in the House and in committees, ceaseless in energy, and faithful to our platform and husting promises in giving votes. faithful to our platform and husting promises in giving votes.

We have introduced measures in the Senate and the House that meaneth and carry with them relief to the people, but unfortunately we are impotent to crystallize these measures into law.

CONFESSION AND AVGIDANCE.

Mr. Speaker, these closing scenes, the speeches made by Mr. DING-LEY, the very able chairman of the Ways and Means Committee, who by virtue of his official position, as well as by his information and natural ability, is entitled to be the leader of the House, have been a simple plea in confession and avoidance. He is an expert in special political pleading; that is, he has excused the large appropriations, not that they were not necessary or were extravagant, notwithstanding, with the wise and frugal Speaker, he tried to keep them down and tried to be economical, but he has promised that under the anticipated Republican Administration, through a wise system of protection, the Treasury would be so repleted as to be able to stand such appropriations without detriment to the service; and likewise the distinguished chairman of the Appropriations Committee, Mr. Cannon, notwithstanding he has tried earnestly, and I know honestly, to be economical, yet, even though his wishes have been overruled and this Congress must go into history as extravagant, in his closing remarks he tries to palliate history as extravagant, in his closing remarks he tries to palliate the effect; that with a full Republican Administration the Treas-ury will be so repleted through the effective service of a wise protective system that we can stand large appropriations without creating a deficit in the Treasury or creating the necessity for bond issues.

The leading Democrats of the House have simply contented themselves with attacking these appropriations, seemingly forgetful that the present Republican Congress has not exceeded the extravagance of the last Democratic Congress.

THE INDIVIDUAL AND COMMUNITY OVERLOOKED.

Both the Republican and Democratic leaders seem to overlook Both the Republican and Democratic leaders seem to overlook or forget the condition of the individual citizen, community, and nation when separated from politics, and are absolutely barren in suggestions or measures that shall bring and assure contentment, happiness, and prosperity to the people. The Populist party, and the Populist party alone, seems to be fertile and persistent in measures that mean and intend to carry relief to the plain and toiling masses. Mr. Speaker, I desire to observe just here, before I protract my remarks further, that while the people desire to understand and know that the money that is expended shall be wisely and properly expended they would not complain at reasonunderstand and know that the money that is expended shall be wisely and properly expended, they would not complain at reasonable public expenditures, if you convince them it is honestly expended and accurately accounted for; if you will bring about conditions out of which they may meet these public expenditures without causing personal deprivations and sacrifices, and surround them with conditions out of which they may be enabled to support themselves and those dependent upon them with an education that shall equip them to grapple with the future. Mr. Speaker, we all know that these enormous public expenditures, such as they are or may be, must be paid by labor and agriculture. The accumulated wealth of the country, whether in the shape of The accumulated wealth of the country, whether in the shape of United States bonds or incomes from any source, is franked "free from taxes" and is not called upon to meet these expenditures, consequently it is indifferent as to their volume. It is the day laborer, the tenant, the farmer, and the small commercial dealers whom these matters affect.

PUBLIC EXPENSES

Mr. Speaker, it may be of interest and a matter of information to the public to recapitulate the public expenses of the first session of the Fifty-fourth Congress, and if I had the time and the House had the patience I would tabulate these in detail; but for my present purpose it is sufficient to refer to these as comprising, in round figures, \$500,225,000. If this is to be repeated in the second session, this Congress will go into history as the billion-one-hundred-million-dollar Congress.

We are expected for the Federal Government entirely too much

We are expending for the Federal Government entirely too much money. It is indeed alarming when we couple these with city, county, and State governments, which the census of 1890 places at \$569,252,634 per annum; and these, added to the appropriations of the Fifty-fourth Congress, make a sum total for Federal, State, and municipal government more than \$1,100,000,000 per annum, a sum far exceeding the expenditures of any other Government

On earth.

Russia expended in 1895 \$885,005,996; France, \$890,184,119; Great Britain, \$469,592,105; Italy, \$337,868,552; the German Empire, \$297,240,240; Spain, \$164,727,145.20. Our expenditures are \$4,000,000 per day, and the monarchial and imperial nations of Europe, which we have been accustomed to regard as extravagant, are spending much less. A sum greater than the entire value of the cotton crop, corn crop, wheat crop, oat crop, and tobacco crop, all put together—these fruits of toil and soil—are wasted in govern-

HOW TO REDUCE EXPENSES

Mr. Speaker, a burning question, one that the politician may as well prepare himself to meet, is how can these public expenditures be decreased without detriment to the public service.

First, lay the ax to the root. All public officials are receiving more salary than they should receive, and are living in a state of extravagance that fails to keep them in touch with the condition, needs, and wants of the people. So, then, let a reform begin at the beginning by reducing all official salaries at least 38½ per cent. Second, the river and harbor appropriations need to be severely pruned. I am not opposed to the principle of Federal river and harbor appropriations. I have the distinction of representing a meritorious river and harbor district—the Albemarle, Roanoke and Pemlico districts of North Carolina. I can name here and meritorious river and harbor district—the Albemarle, Roanoke and Pamlico districts of North Carolina. I can name here and now worthy objects for Federal appropriations, to wit, the inland commerce from the Chesapeake Bay to Florida, the free connection of the Virginia and North Carolina waters, the opening of Currituck and Nags Head inlets, and the deepening of Oregon Inlet and Ocracoke Inlet, and the making of Lookout as a harbor of refuge, and others that I could, if time would permit me, mention. Notwithstanding these worthy objects of Federal assistance I felt constrained and did vote to sustain the President's veto of the river and harbors hill because I helicoged that the President was right and he harbor bill, because I believed that the President was right, and be cause I believed I was serving the best interest of my district and the people by trying to assist the President in stopping and resist-ing the diversion of this Federal assistance from proper channels.

As to the pension appropriation, it is simply alarming. I believe in a wise dependent pension bill, but I am opposed to this special legislation whereby officers and their widows are given an unusually large pension. Our statesmen need apply themselves to reform along this line, unless their consideration for the old soldier will permit the public revenues to be absorbed in special increased

pensions.

But, Mr. Speaker, I have not the time now to ana vze the extravagance of the public service. My purpose in occupying the attention of the House was to demonstrate the discontent, unrest, misery, distress, and dissatisfaction of the great masses, and to show that their cause was just, above party considerations, and demanded the best thought and heart of the Republic.

God created the farmer to begin with in all the ages that have passed. Wherever his interest has been the first concern of government this heaven-appointed institution has prospered and all conditions that are dependent on agriculture have likewise flourished. The Good Book verily saith that "When the virtuous are in authority, the people rejoice; but when the wicked beareth rule, the people mourn."

people mourn."

Mr. Speaker, in this connection I desire that the public shall be fully and intelligently informed as to the true and accurate condition of the American farmer, and to this end I desire to freely quote from a pamphlet entitled The Condition of the American Farmer, by Hon. H. E. Taubeneck, chairman of the national committee of the Populist party.

THE FARMER'S INCOME.

The mind can not grasp the true condition of the American agriculturist antil his income is properly analyzed. Though much has been written on this subject, yet few writers have gone to the bottom and presented the facts in their true significance.

The statistics of the Tenth and Eleventh censuses, as well as the agricultural reports, contain many startling facts and figures in regard to the average income from the average farm in the United

THE CENSUS OF 1886. The report of 1880, volume 1, pages 684 and 685, gives the fol-

lowing figures:	
Number of farms in the United States	4,008,907
Number of acres in farms	536, 081, 835 184
Number of persons engaged in agriculture	7, 670, 439
Average number of persons depending on each farm for a liv-	33 , 011, 317
ing	5.74
Value of farm products sold, consumed on the farm, and on hand, for the census year 1879	92 212 462 564
Value of farm products per average farm	\$552
Per capita income of agricultural population	\$6.16
THE CENSUS OF 1896.	

Census Bulletin No. 378, issued March 19, 1894, and the report of the Statistician of the Department of Agriculture for December, 1894, pages 742 to 751, inclusive, contain the agricultural statistics for 1890, of which the following is a synopsis:

Number of farms in the United States in 1890	
Number of acres in farms	
Number of acres in average farm	\$15,982,207,009
Value of farm products sold, consumed on the farm, and on hand	12, 480, Jin, 454
Value of farm products per average farm	
These figures [cays the bulletin] are subject to modification	for the final

Carroll D. Wright, in reply to a letter asking if the value of farm products quoted above included all that was produced on the farms, said:

I desire to inform you that the figures relative to the value of farm products were furnished by the farmers themselves to the enumerators in answer

to the following query: "Estimated value of all farm productions (sold, consumed, or on hand) for 1889." These statistics, therefore, include all farm productions.

According to this estimate, the annual income from the average farm, containing 137 acres, was \$538.94. If we allow 5.74 persons to each farm for 1890, as reported by the census for 1880, and divide this \$538.94 among them equally, we receive for our agricultural population an average annual per capita income of \$93.89.

If we again divide this amount by the number of days in the year (365), we receive for those who have to depend on the farm for a living an average per capita income of 25.8 cents per day.

It must be remembered that this \$538.94 per farm, or 25.8 cents per day per capita, is not the profit made from the average farm or day's labor, but constitutes the value of the entire crops. It includes that portion consumed on the farm as well as that portion sold. Out of this average that for the farm as well as that portion consumed on the farm as well as that portion sold. includes that portion consumed on the farm as well as that portion sold. Out of this amount the farmer must pay his taxes, insurance, interest, the cost of seed, hired help, wear and tear of farm implements, repairing of fences and buildings, and feed for his teams for one year while cultivating the crops. All these items must be paid out of the \$538.94 before the farmer can have anything for himself and family. The question then is, How much will the average farmer and his family have for their own support after paying all these items? Will they have 15 cents per day per capita? No. Will they have 10? Possibly yes, but I doubt it. For argument's sake, however, we will admit that our agricultural population received a per capita income of 10 cents per day, with which to buy food and clothing, educate the children, and pay incidental expenses. and pay incidental expenses.

PAUPERS AND CONVICTS.

The board of supervisors of Clark County, Ill., as stated by the county clerk, W. S. Lowery, pays \$3 per week for keeping each pauper, the keeper providing board, clothing, medical attendance, and funeral expenses. If we accept this as the average amount paid by other counties and in other States, it amounts to 28.5 cents per day, almost three times as much as the net per capita income

of those who have to depend on the farm for a living.

According to the report of the commissioner of the Illinois Southern Penitentiary for 1890, the State for years received an average of \$36,000 per annum for 250 convicts leased, which amounts to \$144 per year, or 30.4 cents per day for each convict. Thus we are confronted with the cold fact that our agricultural periods is composited to live or an income below that received. population is compelled to live on an income below that provided for paupers, and receive less for their labor than is paid for convict

THE ILLINOIS AGRICULTURAL REPORT.

The statistical report of the Illinois State Board of Agriculture, issued August 1, 1895 (Circular No. 170, page 4), contains a table giving the area, yield, value, and cost of raising wheat in that State for thirty-six years, from 1860 to 1895, inclusive.

For the twenty-three years beginning with 1873 and ending with 1805 the farmers of Illinois produced 711,201,270 bushels of wheat. The total cost of raising the wheat was \$518,796,560, or an average of 72 cents per bushel. The total value of the wheat crops for the twenty-three years was \$570,196,855, or an average of 80 cents per bushel, leaving the wheat growers an average net profit of 8 cents per bushel.

For the fifteen years beginning with 1881 and ending with 1895, For the fifteen years beginning with 1881 and ending with 1895, the wheat growers of Illinois produced 433,622,246 bushels of wheat. It cost them \$317,933,450, or an average of 75.6 cents per bushel, to raise the wheat, and they received for it \$314,901,674, or an average of 74.0 cents per bushel, leaving a net average loss to the wheat growers of Illinois, for fifteen years, of seven-tenths of 1 cent per bushel.

For the three years from 1893 to 1895, inclusive, the wheat growers of Illinois produced 78,324,916 bushels of wheat. It cost them \$34,398,410, or 69.4 cents per bushel, to raise the wheat, and

them \$54,308,410, or \$69.4 cents per bushel, to raise the wheat, and they received for it \$37,705,974, or 48.1 cents per bushel, leaving a net loss of 21.3 cents for every bushel produced since the demonetization of silver by the present Administration.

The same circular, on page 5, contains a similar table in regard to the statistics of the out crops.

to the statistics of the oat crops.

For the same twenty-three years the farmers of Illinois produced 2,032,054,015 bushels of oats. It cost them \$579,402,111, or an average of 28.3 cents per bushel, to raise the oats, and they received \$532,953,288, or 26.2 cents per bushel, leaving a net loss to the oat growers of Illinois of 2.1 cents per bushel.

For the three years from 1893 to 1895, inclusive, since the demonetization of silver, the oat growers of Illinois raised 326,012,-952 bushels of oats. It cost them \$94,105,341, or 28.6 cents per bushel, to raise the oats, and they received \$77,116,027, or 23.6 c. ats per bushel, leaving a net loss to the oat growers of Illinois for the three years named of 5 cents for every bushel produced. Circular No. 163, issued December 1, 1893, contains a similar table giving the statistics for the corn crops.

For twenty-two years, from 1872 to 1898, inclusive, the farmers of Illinois produced 4,579,699,946 bushels of corn. It cost them \$1,609,625,941, or an average of 35.1 cents per bushel, to raise the

corn, and they received for it \$1,518,676,396, or an average of 33.1 cents per bushel, leaving a net loss of 2 cents per bushel for every bushel produced since 1871. In 1893 the farmers of Illinois produced 167,687,971 bushels of

corn. It cost them \$57,482,269, or an average of 34.2 cents per bushel, to raise the corn, and they received for it \$51,099,698, or an average of 30 cents per bushel, leaving a net loss of 4.2 cents per bushel for every bushel produced.

The total profit since 1872 on raising wheat was \$54,400,295, and the loss on oats \$46,448,823, and on corn \$90,949,645, which leaves a net loss to the farmers of Illinois on the three staple products of \$82,998,173. These are cold facts gathered from the statistics of official documents. Illinois is one of the best agricultural States in the Union. Her soil is as fertile, her climate as genial, and her farmers as enterprising as those of any other State. Whatever is true of the condition of the Illinois farmer is also true of the farmers of all other States.

THE MICHIGAN AGRICULTURAL REPORT.

Senator Peffer, in his report on "Agricultural depression," published a table giving the value and cost of raising wheat, oats, and corn in the State of Michigan for the year 1889, as follows:

	Cost.	Value.	Loss.
Wheat	\$18,200,828	\$16,728,903	\$1,471,525
	10,180,655	7,300,457	2,740,198
	12,269,682	7,254,245	5,014,787

The farmers of Michigan received \$9,226,510 less for these crops in 1889 than it cost to raise them.

THE UNITED STATES AGRICULTURAL REPORT.

The report of the Secretary of Agriculture for 1893, pages 515 to 518, inclusive, gives the estimated cost of the principal items and the total cost of the production of wheat and corn per acre for 1898, as consolidated from the returns of nearly 30,000 leading farmers scattered throughout the United States.

WHEAT.

The items and the total cost of raising an acre of wheat were as

The items and the total cost of raising an acre of wheat were as follows: Rent of land, \$2.75; fertilizing, \$2.34; preparing ground, \$1.85; seed, 87 cents; sowing, 35 cents; harvesting, \$1.17; thrashing, \$1.13; housing, 33 cents; marketing, 69 cents. Total, \$11.48. The same report, on page 481, contains a table giving the value of the wheat crops for fourteen years, from 1880 to 1893, inclusive. The value of an acre of wheat in 1893 was \$6.16, and the cost of raising it, as stated above, \$11.48, which leaves a net loss to the wheat growers of the United States of \$5.32 for every acre pro-

duced in that year.

The report also says that the average annual value of an acre of wheat for the fourteen years (from 1880 to 1893) was only \$0.73. If the cost of raising an acre was no greater for each of the thir-teen years preceding 1893 than for that year (\$11.48), then we are confronted with the stubborn fact that the wheat growers of the United States have lost \$1.75 for every acre produced since 1879.

CORN The items and the total cost of raising an acre of corn for 1893 were as follows: Rent of land, \$2.90; fertilizing, \$2.10; preparing ground, \$1.60; seed, 14 cents; planting, 38 cents; cultivating,

ground, \$1.00; seed, 44 cents; planting, 38 cents; chitivating, \$1.72; gathering, \$1.37; housing, 42 cents; marketing, \$1.08. Total, \$11.71. The same report, on page 478, contains a table giving the value of the corn crops from 1880 to 1888, inclusive. The value of an acre of corn for 1893 was \$8.21, and the cost of raising it, as stated above, \$11.71, which leaves a net loss to the corn growers of the United States of \$3.50 for every acre produced in that year.

The report further says that the average annual value of an acre of corn for the fourteen years (from 1880 to 1893) was only \$9.61. If the cost of raising an acre was no greater for each of the thirteen years preceding 1893 than for that year (\$11.71), then the corn growers of the United States received \$2.10 less per acre since 1879 than it cost to produce the corn.

Thus the investigation made by the United States Department of Agriculture corroborates the statistics of the Illinois and Michigan agricultural reports. Since 1880 the farmers of the United tes have been producing products below the cost of production. Whatever is true of corn, oats, and wheat is also true of every other staple product produced by the farmers of the United States. These are facts and figures taken from official documents, the

These are facts and figures taken from official documents, the best evidence we can get. They tell us in language as plain and forcible as words can make it why there is distress, unrest, and discontent among our agricultural population; why there is a mortgage on the farm, and why the farmer who once owned the soil he cultivates is now a tenant. It is because for years he has been compelled to raise products below the cost of production. The results of this loss is disclosed by the increase of mortgages and the loss of farms and homes, together with the enforced idleness seen on every hand. ness seen on every hand.

DEPRECIATION OF FARM PROPERTY.

Senator Peffer, on page 13 of his report on "Agricultural depression," in speaking of the depreciation of farm property, says:

In Binois improved lands fell from \$20.81 in 1873 to \$11.18 in 1892; wheat fell in the same time from \$1.10 to 60 cents a bushel; corn fluctuated, but about maintained its normal price; cats was 3 cents higher in 1892 than it was in 1873; cattle dropped nearly 60 per cent; horses and mules went below that; hogs fell 60 per cent, and sheep 35 per cent.

In Iswa all classes except sheep declined from 1870 to 1892.

In Nebraska improved lands fell from \$4.60 to \$3.2, more than 20 per cent, since 1885, and live stock dropped on an average about 40 per cent.

In Kansas land was about 15 per cent lower in 1892 than it was in 1874 and 1884.

1884.

In New York, according to the report of the State comptroller submitted January, 1891, farm lands in that State had depreciated at least 33; per cent within a few years.

In Pennsylvania, while correspondents differ, it may be stated that on the whole farm lands in that State have fallen 25 to 30 per cent in less than

twenty years.
In the New England States lands used for agricultural purposes are not valued as high now as they were in 1875 by 30 per cent.

INCREASE OF TENANT PARMERS.

Fred Perry Powers, in an article published in Lippincott's Magazine for February, 1895, gives some important statistics, compiled from the census report, in regard to the rapid increase of "tenant farmers" in the United States:

from the census report, in regard to the rapid increase of "tenant farmers" in the United States:

Between 1830 and 1890 the number of owning farmers decreased in every New England State and the number of tenant farmers increased. In each of these States there was a marked increase in the percentage of farmers who plowed the fields of another man and in the sweat of whose brow somebody in Boston ate cake. In the six States, in the ten years, the owning farmers diminished 24,117 and the tenant farmers increased 7.246. The percentage of tenant farmers in Massachusetts, though not large in 1890, was nearly double what it was in 1890; over 17 per cent of the farmers in Vermont and Connecticut and 25 per cent of the farmers in Rhode Island were tenants in 1890. In each of the four Middle States the number of owning farmers decreased and the number of tenant farmers increased. In the group the owners decreased 42,594 and the tenant sucreased 24,075. In New Jersey the tenants increased from nearly a fourth to nearly a third of the whole. In New York the loss of owning farmers was 25,534 and the gain of tenant farmers sale. For Pennsylvania these figures were 11,325 and 9,222, respectively. * * Of twelve Southern States six show a decrease in the number of owning farmers. In three Southwestern States—Missouri, Arkansas, and Texas—there was a gain of 47,832 owning farmers and 11,540 tenant farmers. * * Each of the three States of the Middle West—Ohio, Indiana, and Illinois—gives evidence of the same change, and the group lost 31,250 owning farmers and 26,372 the number of owning farmers and 26,572 per cent of the whole. In eight States of the Northwest, in several of which public lands have been obtainable till quite recently, the number of owning farmers and 18,361 the Pacific and Mountain States and the Territories, the number of owning farmers increased 3,6512 and the tenant farmers increased 3,6513. In the Pacific and Mountain States and the Territories, the number of owning farmers increased 59,637. In 1 for the fa

In commenting on these figures Mr. Powers has this to say:

In commenting on these figures Mr. Powers has this to say:

The American farmer is following the English yeoman into extinction, and the creation of landlord and tenant classes has already made considerable progress here. Specialization is one of the incidents of evolution, and evolution in agriculture is giving us, instead of one class of farmers, who were simultaneously landlord, tenant, and laborer, farmers of the three classes permanently distinct.

The economic change is already producing political changes. The Populist movement of the day is the beginning of the dying struggle for political power of a race of farmers who supplied most of the Fathers of the Republic, who were for many years the controlling power within it, but who are now losing their land, and with it their political weight.

The man who owns a farm of three or four sections will find town life within his reach and much more to his taste, and especially to the taste of his wife and children, than life in the country, and this means the three agricultural classes of England: The owner, who lives in the city or in Europe and enjoys the revenues formerly distributed among a considerable number of owning farmers; the tenant farmer, who has increasing difficulty in paying his rent; and the farm laborer, who gets not quite enough food to keep him thoroughly nourished, and who is attached to the soil, not by any law of serfage, but by the iron law of poverty, ignorance, and lack of spirit.

I hope that every farmer in the land will read these quotations

I hope that every farmer in the land will read these quotations from a plutocratic pen, and ponder well the future condition of his class therein predicted—serfdom as degrading and ignominious as that of the feudal ages.

DECADENCE OF HOME OWNERSHIP.

Mr. J. A. Collins, in an able article in the American Magazine of Civics for January, 1895, on "The decadence of home owner-ship in the United States," says:

ship in the United States," says:

The census of 1800 shows that on June 1 of that year the total population was about 63,450,760, or 12,690,152 families of five members each, or an aggregate of that many homes, both owned and rented. Out of this 12,690,152 families, the number owning and occupying mortgaged homes and farms was 2,250,000, leaving 19,440,152 families occupying hired homes and farms or those they own free of incumbrance. About 8,250,000 occupy hired homes or farms—that is, they are tenants—leaving 2,180,152 who occupy their homes free of incumbrance. This is only about 16 per cent of the total number of families, leaving 34 per cent of the total number as occupants of hired and mortgaged homes. As about 18 per cent of the whole number occupy mortgaged homes, the percentage of actual tenants is about 66 per cent. But the occupant of a mortgaged home is virtually but a tenant of the mortgagee, and we find 84 per cent of the families of the nation are virtually tenants.

It may be stated as an undeniable fact that fifty years ago the United States was a nation of home owners; a mortgaged home was an unusual condition; to-day almost 70 per cent of our population are actually tenants, and a mortgage stands on record against every seven individuals of the entire

population—almost one to every family in the nation. • • • Already above 70 per cent of our population are reduced to the condition of tenants; the free home owner is becoming the exception; a landlord system is being rapidly established, and the great mass of the population, under our boasted free institutions, is dependent upon a class for the very roofs which shelter them. The American people, from a nation of free home owners, are becoming the dependents of a favored class, not only for the employment which gives them food, but for the roof which shelters their helpless families.

The United States to-day shows a greater proportion of dependents or tenant families than any nation of the civilized world, with the exception of Great Britain, and is not far behind that.

Country.	Per- centage of ten- ants.	Country.	Per- centage of ten- ants.
Australia	10.17 33.03 66.09 28.94	Holland Portugal Sweden	89.60 28.17 17.33

United States, over 70 per cent. In the United Kingdom the great bulk of the population is of the tenant class. In the other countries the percentage given of the average, which probably is not far from the percentage of population.

Country.	Per- centage of ten- ants.	Country.	Per- centage of ten- ants.	
Canada	12.01 84.31 85.19	Norway	31.82 \$5.00	

Is it not startling that in the greatest Republic on earth, whose free institutions and free homes have been its boast for a hundred years, the percentage of its dependent population should be greater than even in the monarchies

DEPRECIATION OF FARM PRODUCTS

Gen. A. J. Warner, in an able article on "The depreciation in the value of farm products," published in the New York Sun January 12, 1894, says:

January 12, 1002, says:

Take first the leading staples—wheat, cotton, corn, oats, and hay. The average value of an acre's product of these crops in 1873 was \$15.05; in 1893, for the same quantity of products, \$8.15, a fall of nearly 48 per cent.

If we take wheat alone, the fall has been from \$15.16 to 56 per acre, or over 54 per cent; and if we take cotton, the fall has been greater still, or from \$28.01 to \$10.65, or a decline in value of an acre's product, the quantity being the same as for 1873, of © per cent. The average acre's value of the crops of 1873 was 55 per cent greater than in 1896. * * If the farm products of this year (1893) could he sold at the price prevailing in 1873 they would bring the farmers nearly \$1.500.000,000 more than the price prevailing this year. This would make a big difference in the debt-paying power of the farmers.

Again, in "Facts about silver," pages 34 and 35, he continues: Again, in "Facts about silver," pages 34 and 35, he continues:
In 1872 milch cows were worth \$36 each. In 1896 not over \$30 each. The
number of cows in 1872 was one to a little less than four of population. In
1883 the number was one to a little more than four of population, so that, relatively to population, the number of cows had decreased, and their value at
the same time had failen 40 per cent. * * At the price of wheat in 1873
the value to the farmers of the crop of 1893 would have been \$455,000,000 in
stead of \$178,000,000, a difference of \$277,000,000. This would have gone a long
way toward paying off mortgages. The corn crop of 1893 at the price of 1873
would have yielded \$660,000,000 instead of \$412,000,000.
The cotton crop of 1893 at the price of cotton in 1873 would have been
worth to the South \$490,000,000, instead of \$184,000,000, its actual value in 1893.

The New York Sun, in an able editorial of September 10, 1893, among other things has this to say in regard to the decreased purchasing power of the farmer's products:

among other things has this to say in regard to the decreased purchasing power of the farmer's products:

The extent of the reductions made in revenue from each acre under staple crops is best shown by saying that the acreage revenue from 1866 to 1870 was 7.56, or 96 per cent greater than in 1898; from 1876 to 1880 it was \$3.73, or 46 per cent greater than in 1898; from 1876 to 1880 it was \$3.73, or 46 per cent greater than in 1898; from 1876 to 1880 it was \$3.73, or 46 per cent greater than in 1898. The great diminution in the purchasing power of the farmer, implied by these progressive reductions in acreage revenue, without compensating reduction in the cost of cultivation, is thus clearly shown, but the enormous yearly aggregate of lost purchasing power is comprehensible only when we multiply the acres now employed in growing staples by the decline shown in the acreage value of products since 1870.

As 200,000,000 acress are now employed in growing staple crops, it follows that the power of the farmer to purchase is this year (1893) \$1,563,000,000 less than it would be if he were receiving the price of 1963-1870 for his great staples. If the prices now realized in the farm markets equaled those received from 1871 to 1875, the farmer would this year be able to spend with prices at the present level. Were prices now equal to the average of those obtained from 1876 to 1890, the purchasing power of the farmers would this year be augmented by \$768,000,000. Should the crops of 1896 give average yields and prices equal those current from 1886 to 1880, the farmers would this year be augmented by \$768,000,000 acreater than with present prices. Even with prices at low as those prevailing from 1886 to 180 the farmers of the United States would have \$58,000,000 acreater than with present prices. Even with prices alow as those prevailing from 1886 to 1880, the farmers of the United States would have \$58,000,000 acreater than with preventent, thus employing more labor.

The next question is, Why is the farmer compelled to

The next question is, Why is the farmer compelled to raise prod-

we are told that it is overproduction, that prices are low because farmers produce more than can be consumed. This is a serious question, and deserves careful consideration. If the farmer has reduced the price of his products below the cost of production

by raising too much and working too hard, then the only remedy required is for him to work less and produce less.

If the farmers of the United States produce more wheat, corn, cotton, and other products per capita to-day than they did five, ten, or fifteen years ago, or the increase in food products has been greater than the increase in population, then I will admit that overproduction has something to do with it; but, upon the other hand, if we can prove that the United States and the world produce less agricultural products per capita at the present time. duce less agricultural products per capita at the present time than they did five. ten, or fifteen years ago, or that the increase in population has been greater than the increase in food products, then overproduction is a myth and has nothing to do with these abnormal conditions.

WHEAT.

The following table gives the annual production and the farm price of wheat in the United States, as compiled by the Department of Agriculture. The bushels per capita is obtained by dividing the number of bushels produced by our population:

Year.	Number of bushels pro- duced.	Bushels per capita.	Price per bushel.
1890	498, 549, 868 357, 112, 000 457, 218, 000 456, 329, 000 410, 560, 000 309, 232, 000 611, 730, 000 515, 949, 000 306, 131, 725 400, 267, 416 467, 103, 000	9.9 6.3 7.9 7.7 6.3 9.5 7.9 6.3 9.5 6.0 6.7	Cents, 95.1 97.1 68. 68. 92. 69.8 83. 85. 62. 53. 49.

Take a glance at this table and then think of the overproduction theory. In 1880, when we produced almost 10 bushels per capita, wheat sold for 95.1 cents per bushel, and in 1889, ten years later, with 2 bushels less per capita, it sold for 69.8 cents.

Again, in 1893, with but 5.9 bushels per capita, it sold for 53.8 cents per bushel, 41.3 cents less than in 1880, when our per capita production was 9.9 bushels. If overproduction was the cause of low prices, these figures would be reversed; the farmers would baye received more for their wheat in 1893 and 1892 than they did low prices, these figures would be reversed; the farmers would have received more for their wheat in 1893 and 1892 than they did in 1891 and 1890. In 1893 we produced 4 bushels less per capita than in 1880, and yet it sold for 41.3 cents less per bushel; and again, in 1894, with 6.6 bushels per capita, the farmer received only 49.1 cents per bushel, while in 1888, with 6.8 bushels, wheat brought 92.6 cents. If overproduction was the cause, why should there be so much difference in the price when there is comparatively none in the quantity produced?

The following is a similar table, from the same source, in regard to the production of corn:

Year.	Number of bushels pro- duced.	Bushels per capita.	Price per bushel.
1880	1,717,434,543 1,936,176,000 1,665,441,000 1,987,790,000 2,112,892,000 1,489,970,000 2,060,150,000 1,623,462,000 1,619,406,131 1,212,770,062 2,151,130,000	34. 2 34. 3 29. 8 24. 7 33. 0 34. 3 25. 7 25. 7 24. 9 24. 9 17. 6 30. 7	Cents. 30.6 32.8 36.6 44.4 34.1 28.3 50.6 40.6 30.4 56.5 45.7

This table is far more significant than the one for wheat, because it may be said that the price of wheat in this country is fixed by the Liverpool market, and the production of that cereal in India, Australia, and South America has a tendency to depress prices here; but this can not be said of corn, because we are the only great corn-producing nation on earth, and its price here is not

fixed by foreign competition.

The average annual export of corn from 1870 to 1890 has been but The average annual export of corn from 1870 to 1890 has been but 3.8 per cent of the amount produced, which is too small to exert much influence on its price here. But what does this table teach? In 1880, with 34.2 bushels per capita, corn was worth 39.6 cents per bushel, and in 1889, ten years later, with 34.3 bushels per capita, it sold for 28.3 cents per bushel. Again, in 1890, with 23.7 bushels per capita, it sold for 50.6 cents per bushel, and in 1893, with 24.3 bushels per capita, it brought only 36.5 cents. Again, in 1891, when we produced 32.2 bushels per capita, corn was worth 40.6 cents per bushel, and one year later, with but 24.9 bushels per capita, it sold for 39.4 cents per bushel. If overproduction was the cause, these figures would be reversed; we would have received more for our corn when we had but 24.9 bushels per capita than when we had 32.2 bushels.

COTTON.

The same is true of cotton. The following table gives the annual production from 1885 to 1894, inclusive. The figures for the first seven years are those compiled by the Department of Agriculture, in its miscellaneous series, Report No. 5, for 1893; those for 1892 are taken from the Statistical Abstract for 1893, page 218; those for 1893 are taken from General Warner's article published in the New York Sun January 12, 1894, where he estimates the crop of 1893 at 6,600,000 bales; and those for 1894 are taken from the report of the Statistician of the Department of Agriculture for January and February, 1895, in which the crop is estimated at 9,088,000 bales. The price is also that given by General Warner in "Facts about silver," except for 1894, which is taken from the report of the Department of Agriculture. The number of pounds per capita is obtained by dividing the annual product by our population:

Years.	Number of pounds produced.	Pounds per capita.	Price per pound.
1885	8, 182, 350, 531 8, 157, 378, 443 3, 406, 068, 167 3, 437, 408, 499 3, 622, 827, (9)4 4, 316, (43, 982 4, 500, 531, 951 8, 332, 658, 458 3, 300, 000, 000 4, 516, 736, 900	50. 4 54. 7 57. 8 57. 1 89 68. 9 70. 5 51. 6 49. 6 65. 4	Cents. 10.6 9.9 9.5 9.8 0.9 10.1 10 8.7 4.6

This table exhibits some startling facts. From 1886 to 1889, inclusive, the production of cotton gradually increased from 54.7 to 59 pounds per capita, and during these years the price remained almost stationary. In 1890 and 1891 the production increased about 10 pounds per capita, and the price also increased one-tenth and two-tenths of a cent per pound. Again, in 1892 and 1893, with a great and sudden decrease in production, the price also declined, so that the small crop of 1893, which was 29.6 per cent less per capita, sold for 30 per cent less per pound than the large one produced in 1891. Again, in 1894, with a crop no larger than for 1890 and 1891, cotton sold for 4.6 cents per pound, while in the two former years it was worth 10.

This table controverts the theory of overproduction and bids defiance to every argument advanced on that line. Here are the actual facts: Prices not only declined with a decrease in production, but they actually increased with an increase in production. This table exhibits some startling facts. From 1886 to 1889, in-

tion, but they actually increased with an increase in production. No argument, however ingenious, can prove that these falling

prices are due to overproduction.

FARM ANDHALS.

Report No. 123 of the Department of Agriculture for January and February, 1895, page 5, contains a table giving the number and value of horses, mules, milch cows, oxen and other cattle, sheep, and swine in the United States from 1868 to 1895, inclusive. The aggregate number of farm animals, their total value and average value per head for the three years named, are as follows:

Years.	Number.	Total value.	Value per head.
1890	164, 284, 573	\$2,483,506,681	\$15.11
	161, 783, 453	2,170,816,754	13.41
	155, 565, 051	1,819,446,306	11.09

This table shows that from 1893 to 1895 there was a decrease of 5.3 per cent in the number of farm animals and a decline of 22.6 per cent in their value. If overproduction was the cause these figures would be reversed; the price of farm animals would be

What is true of wheat, corn, cotton, and farm animals is also true of other agricultural products. The best evidence obtainable proves that our population has increased faster than the increase in food products. This is especially true of corn and farm animals, as the foreign market has little or no influence on their price bere. price here.

PRODUCTION OF THE WORLD.

No doubt our friends who believe in overproduction are willing to concede the fact that our population has increased faster than the increase in food products; but they reply that the price of those commodities which we export is fixed in the foreign market, where we are compelled to compete with the world, and that the increase in the production of agricultural products since India, South America, and Australia opened their wheat and cotton fields exceeds the increase in the world's population. Although their

arguments have often been refuted, yet many able writers still ve this point some consideration.

In 1886 the population of the globe, according to Levasseur's table in Mulhall's Dictionary of Statistics, was 1,479,445,230, with an annual increase of about 0.4746 per cent.

WHEAT CROPS OF THE WORLD.

The table below, compiled by Morton Frewen, by striking a mean between the figures published by the Department of Agriculture, from Dornbusch and from the report of the Vienna Congress, with the London price, gives the world's production of wheat for the years named:

Years.	Number of bushels produced.	Bushels per capita.	London price.
1801	2, 432, 800, 000	1.606	\$1.25
	2, 403, 200, 000	1.575	.87
	2, 304, 800, 000	1.506	.76

In 1891 wheat in the London market was worth \$1.25 per bushel, and in 1893, with one-tenth of 1 bushel less per capita, it was worth but 76 cents. A decrease of 5.3 per cent in the quantity produced, with a decline of 39.2 per cent in its price, does not accord with the overproduction theory.

COTTON CROPS OF THE WORLD.

The following table gives the world's production of cotton, the number of pounds per capita, and the Liverpool price for the years named. The figures of production from 1890 to 1891, 1891 years named. The neuroscip production from the report of the Statistician of the Department of Agriculture for 1893, page 547, and those for 1893 to 1894 and 1894 to 1895 from the World's Almanac. as furnished by Ellison & Co. The price for the first four years is that given by Latham, Alexander & Co., in their report for 1894, page 120, and for the last year from the London market quota-

Years.	Number of pounds produced.	Pounds per capita.	Price per pound.
1800 to 1801		3.3 3.4 2.8 3.1 3.2	Cents. 9, 88 8, 36 9, 14 8, 46 6, 70

This decline in the price of cotton, like that for wheat, can not be attributed to overproduction. Another important factor against this theory is that the percentage of the world's populaagainst this theory is that the percentage of the world's population using wheat and cotton is constantly increasing. As new countries, like the interior of Africa, China, and others, are opened to commerce, cotton more than any other product enters into their trade. No argument, however ingenious, can prove that low prices for agricultural products, either in this country or the world at large, are due to overproduction. We must look for the same in severe they directive. for the cause in some other direction.

THE CAUSE.

If overproduction, as we have proven, is not the cause for the decline in the price of agricultural products, what, then, is it? Is the decline in prices due to exorbitant transportation rates? No. They are lower at present than ever before. Is it due to the land question? No. Land values have depreciated with the price of farm products. Is it due to the tariff or the wage question? No. What, then, is it? The real and fundamental cause is due to our financial system—the contraction of our paper currency and the demonetization of silver. At least 90 per cent of the depreciation in the price of farm products is due to the increased purchasing power of the dollar caused by a change in our financial system.

All the money in circulation is always pitted against all the

All the money in circulation is always pitted against all the property, and prices spring out of the relation money and property bear toward each other. So long as this relation is undisturbed the general level of prices is maintained; but the moment of the price is maintained; but the moment of the prices is maintained; but the we increase or decrease the amount of property on the one hand, or the volume of money on the other, we also disturb this rela-

To illustrate: Suppose that the value of all the property in the United States is \$65,000,000,000, and the volume of money in circulation, as stated by the Secretary of the Treasury January 1, 1894, is \$1.729,018,266. We then have \$37.59 worth of property for every dollar in money; that is, the relation or ratio of money to property is 1 to 37.59. Every time we add one dollar to our money volume, or destroy one dollar, we also add or destroy \$37.59 of value in the property in order to maintain the proper ratio between the true.

tween the two. An act of Congress which would destroy one-half our money would squeeze \$37.59 worth of property into \$18.79 of money, and an act which would double the volume of money would expand prices so that \$37.59 worth of property would then be worth \$75.18 in money.

The supply and demand of that one article, money, is as potent in determining the price of products and property as the supply and demand of all other articles combined. An increase or decrease in the supply of any one commodity, say, corn or cotton, affects the price of that particular commodity only, but an increase or decrease in the volume of money affects the price of all commodities alike.

Suppose the supply of every article which enters the channels of commerce should be cornered by a few speculators—that is, suppose there should be a special corner for each article produced. Think of the power these combined corners would have in fixing

prices which the people would have to pay.

Again, suppose that over on the opposite side of all these corners we should have one more—a corner on money. Then the power of this one corner in fixing the price of products and property would be as great as that of all other corners combined. Why? Because the demand for money equals the demand for all other articles.

In 1866 the population of the United States was 35,819,281 and our volume of money \$1,863,409,216, which gave us a per capita circulation of \$52.01.

On March 1, 1895, according to the statement of the Secretary of the Treasury, we had \$1,374,584,557 outside of the Treasury vaults, and a population of about 69,009,000, making our per capita circulation at the present time \$22.82. Admitting that every dollar reported to be outside the Treasury vaults is in circular than the control of the treasury values of the t culation (but everybody knows that it is not), we still have \$288,874,659 less money among the people to-day, with a population of 69,000,000, than we had thirty years ago with a population of only 85,819,281.

Since 1866 our population has increased 92 per cent, commerce and trade have doubled, but our volume of money has actually

decreased 15 per cent.

For thirty years our demand for money has advanced in one direction, while its supply has receded in another.

Prices in gold-standard countries like the United States and the Prices in gold-standard countries like the United States and the principal nations of Europe have fallen 45 to 50 per cent since 1873. Prices in silver-standard countries like Mexico, India, China, and Japan have remained stationary since 1873. These are cold facts which no theory can controvert. From this it logically follows if a silver-standard country like Mexico should demonetize silver and establish the gold standard, the general rape of prices in that country would gradually fall until they reached a level with those of other gold-standard countries. Again, if a gold-standard country like the United States should remonetize silver, the general range of prices would gradually rise until they reached a level with those of silver-standard countries.

The great benefit to the American farmer from the free coinage

The great benefit to the American farmer from the free coinage of silver is that it will increase the price of agricultural products to the extent of the difference between the gold or commercial

of silver is that it will increase the price of agricultural products to the extent of the difference between the gold or commercial price of silver and its mint or coinage price.

To illustrate the point: The price of a bushel of wheat in the Liverpool market for more than a generation has been an ounce of silver. The value of the two has remained in touch for more than a quarter of a century. As the price of silver has gone up or down wheat has followed. If we single out any one year, say 1892, we can estimate what the demonetization of silver has cost the wheat growers since 1873. The average London price for silver in 1892 was 67.1 cents per ounce. In that year an India farmer could ship a bushel of wheat to Liverpool, receive an ounce of silver for it, and have the silver coined into rupees at a ratio of 15 to 1, worth \$1.87 in legal-tender money in India. An American farmer could also take a bushel of wheat to Liverpool, receive an ounce of silver for it, bring this silver home to the United States, and sell it for whatever he could get, which was about 86 cents per ounce. Thus the India farmer realized \$1.37 per bushel for his wheat delivered in Liverpool, while the American farmer received but 86 cents for his, a difference to the disadvantage of the American farmer of 51 cents per bushel.

But suppose we had had free coinage of silver in this country in 1892 at the ratio of 16 to 1, what then would have been the price of wheat in that year? Then an American wheat grower could have shipped a bushel of wheat to Liverpool, received his ounce of silver for it, brought this silver home, taken it to the mint, and had it coined into full legal-tender standard silver dollars, thus receiving \$1.29 instead of 86 cents for his bushel of wheat—a difference of 43 cents per bushel. This is also true of cotton and other products which we export and which come in competition with the products of free-coinage nations.

The decline in the gold price of silver has the effect of giving

with the products of free-coinage nations.

The decline in the gold price of silver has the effect of giving the wheat and cotton growers in silver-standard countries an export bounty to the extent of the difference between the mint price

and the bullion price of silver. The contest between the yellow metal and the white metal involves the question of putting the farmers of this country on an equal footing, in the markets of the world, with those of silver-standard countries.

To illustrate the point: Suppose a wheat grower of the United States and one from a silver-standard country meet in Liverpool, each with 1 bushel of wheat. They sell their wheat for, say, 65 cents per bushel, and receive their payin gold. The wheat grower from the silver-standard country takes his gold and buys silver bullion worth 65 cents per ounce. On his arrival home he takes it to the mint and has it coined into legal-tender money worth (16 to 1) \$1.29. But the wheat grower of the United States returns with his 65 cents in gold, because our Government tells him, "You need not bring any silver home. We will not coin it." Thus our wheat grower would realize 65 cents for his bushel of wheat and the one from the silver-standard country \$1.29.

Suppose a cotton planter of the South and one from Mexico should meet in Liverpool, each with 1 bale of cotton? The transaction would result to the disadvantage of our planter just as the wheat transaction resulted to the disadvantage of our wheat grower. To illustrate the point: Suppose a wheat grower of the United

Thus the farmers of the United States, especially the wheat and cotton growers, are only receiving the gold price of silver for their products, while those in silver-standard countries are receiving its mint or coin price for theirs. The demonetization of silver in this country has the same effect as paying an export bounty to the farmers of silver-standard countries.

Our farmers are compelled to cultivate 2 acres, raise 2 bushels of wheat and 2 bales of cotton, while their competitors in silver-standard countries raise but 1 bushel of wheat, 1 bale of cotton, and do only half as much work, and yet receive the same amount.

and do only half as much work, and yet receive the same amount of money with which to pay debts and taxes as those who cultivate our soil. How long can our farmers exist under these con-

The silver question is of greater importance to the farmers and planters of this country than to any other class. Unless they can be placed upon an equal footing with the planters and farmers of silver-standard countries it is but a question of time when we will have a system of peasantry like that of Europe.

Senator Jones, of Nevada, in his speech in the extra session of Congress of 1893, said:

Every decline, therefore, in the price of silver bullion, so far as our farmers and cotton planters are concerned, is a decline in the price of whest and cotton at Liverpool, though not a decline in the price of anything that the East Indian people need, or consume, or buy. * Every decline in the gold price of silver bullion is a premium—a bounty—given to the producer of wheat and cotton in India over the American farmer and cotton planter in the prices of those commodities in European markets.

Senator Jones also quotes from Mr. Bagehot, for many years the editor of the London Economist, who says:

the editor of the London Economist, who says:

The necessary effect of a depreciation of silver as against gold is to give a bounty on exports from India and the other silver-using countries to England. An English merchant can now buy many more rupees than he formerly could with the same number of sovereigns, and therefore he can import from India, though prices at Calcutta are not at a level at which it would have paid him to operate if he had not had that novel facility in getting rupees.

Again he quotes from Sir Robert Fowler, a member of Parliament and ex-mayor of London, who in 1886 said:

The effect of the depreciation of silver must finally be the ruin of the wheat and cotton industries of America and be the development of India as the chief wheat and cotton exporter of the world.

Senator Jowes continues:

Senator Jones continues:

Senator JONES continues:

So long, therefore, as India exports wheat, and it has hardly more than commenced, the price of India wheat will fix the price of American wheat until such time as silver is remonetised in the United States.

* * * * With reference to cotton, an ounce of silver will place 19 pounds of that commodity in Liverpool. However low, therefore, the price of an ounce of that metal, deliver 19 pounds of raw cotton in Liverpool. Should silver full to 80 cents an ounce, if he would sell his cotton he must deliver 19 pounds of cotton in Liverpool and pay transportation charges on it, all for 5 cents a pound.

By bringing the price of silver bullion to a parity with gold on the relation established in this country since 1702, our farmers and cotton planters will be relieved of the competition of the East Indian in the markets of Europe.

Let the reader for a moment reflect what the demonstization of

Let the reader for a moment reflect what the demonetization of silver has cost the American farmer since 1873. The loss sustained by the cotton planters alone for the seventsen years from 1873 to 1889, as stated by Senator JONES, of Nevada, in his speech in the United States Senate, May 12 and 13, 1890, is as follows:

At the price of cotton in 1873 the result of each year would be 2,500,000,600 counds, at 16.4 cents, \$410,000,000.

According to the figures given by the Bureau of Statistics, the average rice received each year of the seventeen was 13.1 cents per pound; 2,500,000,600 pounds at 13.1 cents per pound equals \$227,000,000, showing a difference of \$5,000,000, that being the average for each separate year for seventeen years, a total sum for the entire period of \$1,411,000,000, which represents the loss adobt and tax paying power suffered by the cotton planters by reason of the lemonetization of silver.

In regard to the loss sustained by the wheat growers for the same number of years, he continues:

A like computation with regard to wheat will show a loss in debt-paying and tax-paying power of not less than \$100,000,000 a year to the farmers of the Northwest by reason of the demonstration of silvor—a total of \$1,700,000,000 in the article of wheat alone in seventeen years.

Again, in his speech during the extra session of Congress in 1898 Again, in his speech during the extra session of Congress in 1895 he further stated that the loss sustained by the wheat and cotton growers of this country, for the eight years preceding 1893, averaged for wheat \$225,000,000, and for cotton \$100,000,000 per year, making a total loss of \$1,300,000,000 for the four years following 1889. If we add to this amount \$700,000,000 for the loss sustained since 1893, and the \$3,111,000,000 for the seventeen years previous to 1889, we have the enormous sum of over \$5,000,000,000 which the demonetization of silver has cost the American farmer and planter on wheat and cotton.

For twenty years the silver taken out of the American mines has been used as a club to drive the American wheat and cotton out of the markets of the world. It almost seems incredible that the American farmer, intelligent and enterprising as he is, should for twenty years go to the polls and vote for men and parties who have annually legislated over \$250,000,000 out of his pocket on wheat and cotton alone.

It is evident that the silver to be taken from the American mines will develop the wheat, cotton, wool, beef, and hide industries of Mexico and South America in the future as it has developed India's industries in the past. Nothing but free and unlimited coinage of silver in this country will prevent South America, Mexico, China, Japan, and other free-coinage nations from developing their agricultural resources at the expense of the farmers of the United

This question has often been asked: "If the mints of Mexico, South America, China, and Japan are open to the free and unlimited coinage of silver, and silver is worth \$1.29 per ounce, why do the mine owners of the United States sell their silver for 66 cents per ounce instead of shipping it to any of these countries and having it coined?'

Because foreign coins are not a legal tender in this country Suppose a mine owner should ship 1,000 ounces of silver, worth in the United States 66 cents per ounce, or \$060, to Mexico, have it coined at the ratio of 16 to 1, worth \$1.29 per ounce, or \$1,290 in legal-tender money in that country. Again, suppose he brings this coined silver home to the United States, what will he do with it? He is compelled to sell the Mexican coins for the commercial or gold price of silver, which is 66 cents per ounce. Thus the mine owner will receive as much less for his silver as it cost to ship it to and from Mexico. If Mexican coins were legal-tender money in the United States, then it would be profitable to the owner of silver bullion to ship his silver to Mexico and have it coined.

There is but one way by which the owner of silver bullion may receive a profit on his silver in shipping it to the mints of some silver-standard country, and that is this: Suppose a mine owner takes 1,000 ounces of silver to the mint in Mexico or Japan, has it coined, remains in that country and invests it.

THE REMEDY.

The American farmer can not continue much longer to sell his products below the cost of production, or to live on an income below that provided for paupers, or on earnings less than the below that provided for paupers, or on earnings less than the wages paid for convicts in our State prisons. To seek a remedy for the conditions which are destroying the yeomanry of our Republic is the imperative duty of the hour. The remedy must not be a temporary expedient that will strike at the effect only, but a radical one that will remove the cause. Ninety per cent of the depreciation in the price of farm products is due to the increased purchasing power of the dollar. To remedy this we must have free-coinage of silver at the ratio of 16 to 1. This will place the American farmer on equal terms in the markets of the world with the farmers of free-coinage nations, and will increase the price of farm products b: the extent of the difference between the gold price and mint price of silver. But, much as free coinage would help, that alone will not give permanent relief.

the gold price and mint price of silver. But, much as free coinage would help, that alone will not give permanent relief.

First. Because there is not a sufficient account of gold and silver on hand for monetary use, nor can the mines supply it.

Second. Because it would still leave the power of money in the hands of individuals and corporations, those who control the products of the mines and issue the paper currency, and our volume of money, at the mercy of the ebband flow of coin, would produce an inflation every time it comes to our shores and leave a panic whenever it departs.

whenever it departs.

At present our money is practically controlled by a gold trust. If we add free coinage of silver and let the banks issue the necessary paper money our money volume will still be at the mercy of a few individuals and corporations. The money power will control our volume of money as effectively as it now does, with only this difference, that the two metals will be more difficult to control than the one. Much as free coinage of silver will do toward restoring prices of products and property, this alone will not destroy all the evil that surrounds our present financial system. If free coinage of silver will not destroy the money trust, what, then, can we do that will? Suppose you undertake to destroy the coal trust, whisky trust, or any other trust, what would be the first thing you would have to do? Think for a moment,

The first thing to do would be to take from the trust the power Unless you could do this it would be impossible to destroy the trust. The one essential thing absolutely necessary to the existence of a trust is its ability to control the supply and limit the

production of the article in which it deals.

So it is with the money trust. The only effective way to destroy its power is to take from it the authority to issue the paper money, because the right to issue the money also carries with it the ability to control its volume, and to fix the prices at which all products and property shall be sold. To accomplish this the Government must issue the necessary paper money, and in sufficient volume to restore and maintain the general range of prices as they were previous to the demonetization of silver in 1873.

This paper money must be a full legal tender, and not redeemable in coin; otherwise it would be exposed to the avarice of the

same trust that dominates our present financial system. If the Government should issue paper money redeemable in coin a syndicate of foreign bankers could get possession of \$100,000,000 of paper currency, present it for redemption, and thereby contract the money volume four or five hundred million dollars, which would be followed by a panic, a fall in prices, and general busis stagnation.

Mr. Speaker, the liberal extracts I have made from Mr. Taubeneck's most succinct and able treatise, voices the contention of every true reformer. They contrast the true conditions of the past and present in a most striking and authentic manner, and present a lesson that the American people as a whole may with profit carefully consider.

It is the financial piracy of the single gold standard that has wrought this elimination of values through the contraction of our currency and thickly strewn the business highways of our

nation with wrecks and disasters.

It is the mailed hand of the gold conspiracy that is now crushing the life out of all industrial enterprises and ruthlessly hurling into the yawning abyse of bankruptcy and ruin all who labor in production. It is those gamblers in gold who stand like the buccaneers of old on every thoroughfare of progress and levy toll upon all who may pass in that direction. The time has come for a change, for a more equitable distribution of the fruits of labor,

which if not brought about speedily will be too late.

The condition of the laboring portion of our people is appalling and calls loudly for immediate and wise legislation. It is the statesman and patriot instead of the politician and demagogue

that the exigency of the times demand.

Realizing the duties and dangers of the hour, I must enter my protest against an adjournment until some remedial legislation as been accomplished.

Mr. Speaker, the proposition to adjourn this Congress and return to our homes, leaving the finances of the country in their present deplorable condition, can not fail to bring down upon the heads of the responsible majority the condemnation of an outraged people. The members of the People's Party, though small in number and powerless to have measures for the relief of the country reported by the committees of this body, have performed their duty by formulating and introducing measures that would afford the resident relief. The Republican majority in chedience to the discontinuous deployment to the discontinuous deployment. needed relief. The Republican majority, in obedience to the dictates of party leaders, have pursued a policy of do nothing and inaction that marks the decadence of that once aggressive organization. The first session of the Fifty-fourth Congress, so far as this branch is concerned, has distinguished itself by simply dittoing the financial policy of Grover Cleveland and an attempt dittoing the financial policy of Grover Cleveland and an attempt to facilitate the work of plunging the country deeper into debt in time of profound peace. Mr. Speaker, we are told that our only trouble is lack of revenue, and the only remedy that has been proposed by the Republican majority in this House has been one bill to increase taxation by a horizontal elevation of tariff duties, and another to borrow money by selling bonds. The Republican party claims to be the party of protection to American industry and American labor, and many of my colleagues are no doubt anxious to adjourn that they may hasten to their various homes to make the welkin ring on the hustings in the name of protection. I

Mr. Speaker, I am a believer in the principles of protection. I believe it is sound doctrine. I am ready to vote for any and all measures that will elevate the general level of American citizenship, and to vote for any measure for benefiting any particular class provided it is not at the expense of others. I will go further and vote for measures that may for a limited time bear unevenly upon our people if it can be shown that it will ultimately benefit all alike. But, Mr. Speaker, I contend that all attempts to legislate on protective lines without first restoring the bimetallic standard on protective lines without hist restoring the bimetains standard of money will be an inexcusable blunder, and the Republican party stands convicted before the intelligence of mankind by coupling two inconsistent and antagonistic policies, with the result of confusion confounded. It would be just as easy to turn a mill wheel with a stream composed of equal parts of fire and water as it would to enact tariff laws that would protect American

industry and labor until the gold-standard policy of Cleveland and Herman is abandoned. To amplify my meaning upon this point will now ask the Clerk to read from the speech of Mr. John M. Devine, of Nebraska, at the Lubin conference at the Ebbitt, Washington, D. C., January, 1896. The Clerk read as follows:

will now ask the Clerk to read from the speech of Mr. John M. Devine, of Nebraska, at the Lubin conference at the Ebbitt, Washington, D. C., January, 1996.

The Clerk read as follows:

Mr. Chairman, I notice that we have with us Mr. J. M. Devine, of Nebraska. I know we would all be delighted to hear from him.

I know we would all be delighted to hear from him.

I know we would all be delighted to hear from him.

I know we would all be delighted to hear from him.

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I know we would all be delighted to hear from him.

I know to the reading of Mr. Lubins paper in this room yesterday. Therefore, in what I have to say I wish to be understood as not committing myself protective system, but will briefly consider some of the facts in the case that deserve the attention of all who desire the continuance of a protective policy by the development of the facts in the case that deserve the attention of all who desire the continuance of a protective policy by the development of the industrial and cocial conditions of its people of nations whose social conditions are upon it lower level than its own; that it is the prerogative of government to adopt its own will be to the highest development of the industrial and cocial conditions of its people, and that competition that would lead to decide conditions of its people only; a policy that does not distribute its benefits and its buffers allowed to 10 the people only; a policy that does not distribute its benefits and its buffers allowed the processor if a policy can be called "protection," or 'co' id be dignified with that isame, that results in benefits and its buffers and the bottom processing further I would like to have the processor answer it.

Mr. Curryon. The habit is that I anybody is to be interrogated it is me in th

which transfers the property of debtors to creditors without an equivalent therefor.

The one advantage urged to offset this gross injustice to debtors, and the paralysis of the productive energies of our people by the constant fall in prices consequent upon an appreciating money standard, is that we can borrow capital from abroad if we continue to promise payment in gold, and that as evidence of our good faith we must transact all of our domestic business on the gold standard; that it would be dishonest to adopt any other standard without the cooperation of foreign nations.

Good credit on the part of a nation or an individual is a good thing to be used in an emergency, to bridge over a misfortune and avoid sacrifice. But the idea that prosperity consists in borrowing, or that a nation can borrow itself great and rich is as novel as it is absurd in both economics and morals. The Blble teaches that the borrower is the slave of the lender.

Now, Mr. Chairman, the American people, with their enlightened conscience, do not believe that anything is good policy that does not possess the essential quality of honesty. Honesty demands the payment of measure or measure—the dollar of payment as good as was received by the borrower—no worse, no better. But I am afraid that the prosperity of our States that have enjoyed the benefits derived from high tariff schedules has been so much

greater than the general prosperity of the whole country that a vast creditor interest has grown up in them, and that this interest has become so powerful and selfish that it has forgotten all about the general good of the whole.

A NEW INDUSTRY FOSTERED.

This new industry of borrowing foreign capital that has been fostered and developed during the past twenty-five years has so changed conditions that the general good of the whole people can 10 longer be promoted by tariffix against the importation of manufactured goods, and in the absence of an American monetary system that will maintain a parity of values between money and commodities and property and afford some protection to the one-half of all the people who are engaged in agriculture there is no longer any warrant for the agriculturists of the country to concede further legislation in the interest of manufacturers.

The gentlemen presentadmit that there is no warcant for legislation that benefits only a section of the country, or the peo; 'e engaged in certain industries, and that nothing can be properly called "protection" that does not distribute the benefits and impose its burdens upon rail alike in the end. Now, the manufacturers who demand the enactment of tariff laws to enable along their product for good prices in the American market, free from the competition of foreign countries where labor is chas; and the social condition of the laborers wretched, should be the last of all to 'end their aid and support to the fostering and development of this new industry of borrowing foreign capital, because the existence of a foreign debt makes it impossible to maintain traif achequies that will enhance the price of manufactures and at the same time distribute their benefits to the whole be people. Think how inconsistent it is with the good of the whole to foster the creation of a debt that can only be pald through the forced sale of the products of agriculture that constitute our staples for export, while we demand a tariff to increase the price and retard the sale of foreign commodities to enable domestic manufacturers to obtain better prices for their products. Our exports are chiefly the products of agriculture, the principal ones being wheat, cotton, and meat products. Professor Gunton has been forced to

OUR INDEBTEDNESS TO FOREIGNERS.

in the free-trade markets of the world.

OUR INDESTEDNESS TO FOREIGNES.

Now, what is our condition as a debtor nation and how does it affect the producers of our staples for export? Conservative estimates place the indebtedness of the people of this country to the people of foreign countries at about \$6,000,000,000, and the tribute that the people of this country are obliged to pay to the people of foreign countries annually as interest on loans and other investments above \$1,000,000 per day. We over the people of foreign countries an amount equal to one and one-half times the total value of the gold known to be in existence, and we owe as interest each year on this indebtedness an amount equal to twice the value of the annual product of gold from the mines of the earth. The manufacturer who asks for protection does not expect to pay any portion of the principal or interest on this vest foreign indebtedness with his products. On the contrary, he asks the intervention of government to prevent the manufacturers of similar products in other countries selling their goods in this country by the imposition of duties for enhancing the price in order that he may receive higher prices for its product than foreign goods could be otherwise sold for. How, then, is this debt to be paid? And paid it must be, either in gold or commodities, in this edot to be paid? And paid it must be, either in gold or commodities, in the end. We may send bonds abroad and settle our interest account in that ways a while longer and enlarge the debt, or we may transfer the titles to property in lieu of sending commodities or gold out of the country.

What is to be the end of all this? Are we not digging the pit deeper into which we must fall? If, starting with no debt and no tribute to pay, we have in least than thirty years piled up a debt representing one and one-half times the total gold money of the world, have an annual tribute to pay end to the world samual gold product, what will be our condition to the very of the world, have an annual

FALLING PRICES DECREED BY DEMONETIZATION.

The demonstization of silver was a decree that all money values in the United States and Europe must be so readjusted that property and commodities could be priced in one-half the amount of money as before. The gold in those countries must express the prices of and pass in exchange for twice the amount of property and commodities that it did when silver was its equal partner. It had to be spread thinner to do it. Fifty cents must do the worst formerly done by 100. Prices must fall to one-half their former level both here and in Europe. It was no more possible to discard one-half the standard money and maintain prices at the old level thun it would be to double the area of a reservoir and maintain the water at the old level, or to detach one horse from a team and not increase the draft upon the other.

When the Atlantic Ocean can be made by law to maintain a higher level in New York Harbor than in that of Liverpool then, and not till then, can the prices formerly a stained by gold and silver be sustained by gold alone in any country by means of tariffs.

Metallic money distributes itself among the nations of the earth in response to price levels, commodities seeking the markets where prices are high and money seeking the markets where prices are low. Each nation's distributive share of the whole stock of metallic money is that portion which they can buy with their products in competition with all other nations, and they can buy retain permanently that portion necessary to price the products of their country at home at a point where other nations can not bring into their markets similar products and undersoil them.

Under the stimulus of rising prices the productive energies of a nation find full play, and both capital and labor receive their reward; but when falling prices extend over a long period the margin of profits narrows and finally disappears, forcing wages and prices down, lessening consumption, and limiting production to the iunperative demands of daily life. Under this condition equities shrink and mortgages fatten, and money lenders alone prosper, but unjustly and at the expense of debtors. With the increase or decrease of money supply prices have ever moved upward or downward, and must continue so to do so long as one grain of gold is as good as another grain of gold. When a ton of new gold is produced from the mines of the earth it takes to itself a share of the preexisting money values and makes the exchange value of every grain of gold in existence a little less in terms of other things, causing an advance of prices. The prosperity that has ever followed an advance in prices brought about by an increased money supply, gave rise to the appreciation in which favorable trade is halones are held among commercial nations. Although the balance of trade in favor of a nation means that the people of that nation have produced and parted with to ther nations more products than they had received in return, receiving the difference in metallic money, which is neither food nor raiment for its people, yet it is the means of sustaining prices, which is the con

ORIGIN OF PROTECTION.

The experience of ages, through alternating periods of prosperity and adversity following the ebb and flow of money, taught men to seek to prevent the escape of money from their country. Herein is the foundation of the idea of protection. England at one time prohibited by law the export coin. France at a later period charged a seigniorage of 8 per cent at her mints, thereby giving coin a value 8 per cent greater than the bullion it contained. Under this law, whenever a coin of France found its way into other nations 8 per cent more profit could be made by selling that coin back to France than by recoining it or selling it elsewhere. This law enabled France to retain her money and maintain a price level 8 per cent higher than outside nations, and to the extent of the seigniorage charged afforded the people of France immunity from the leveling influence of free competition.

A CONTRACE.

A CONTRACT.

How striking is the contrast between the protectionists of France at that time and the protectionists of the United States of our day. Our protectionists have joined hands with the money changers and credit mongers of the world to change the money standard from gold and silver to gold alone, and, with a simplicity that calls for pity, thought they could maintain prices and prosperity through the agency of tariff schedules. A knowledge of the law through which the precious metals distribute themselves among nations and the causes that developed the protective system would have taught them the utter absurdity and folly of falling into the gold-standard trap.

PROTECTION INCOMPATIBLE WITH THE GOLD STANDARD.

PROTECTION INCOMPATIBLE WITH THE GOLD STANDARD.

In the adjustment of trade relations between nations, when it is sought to enact laws that will inure to the advantage of the people of a particular nation, if the laws through which price levels are determined are left out of account, sorious blunders may be made that will defeat the object sought. The effect of the change from bimetallic prices to prices based on gold monetallism is that laws that were protective under bimetallism are no longer protective between countries that have decreed the gold standard, and can not be made such until the adjustment of values to the new standard is completed and prices have reached their lowest level under the changed standard; and a nation that creates a foreign debt in resisting the adjustment of values to the new standard can not maintain an even level of prices with the creditor nations until after the foreign debt is extinguished, and the monumental absurdity of cesnomics is the claim that we can so protect by tariffs that we can have high-priced labor and high-priced products while changing from a blower to a higher valued movey standard. Twenty-three years of an effort in this direction—a period marked by labor strikes, lockouts, business failures, and the organization of trusts—gives a net result of prices reduced one-half and a foreign debt of such magnitude that protection by tariffs is an impossibility until prices have reached a point sufficiently low that the nations that have already adopted the gold standard will become the owners of gold that will remain in the channels of circulation after having canceled their foreign debts with their products, and purchased the gold and become its rightful owners.

If the revolution involved in the change from the bimetallic money standard to the single standard of gold was comprehended by our people; that the property of the nations adopting this standard was to be revalued and priced in a scarcer and dearer money; that price levels were doomed to constantly fall until

THE OWNERS OF THE WORLD'S GOLD.

The general level of prices in all countries that have decreed the gold standard has already fallen one-half, and the gold of the world instead of being redistributed has become more centralized than before. England has become the creditor of the rest of the world in a sum approaching \$15,000,000. Germany, France, and Holland have also enlarged their holdings of debts against the people of other nations. To those creditor nations not only does all the gold of the world belong, but they have the balance of the world under tribute to them in the form of interest on their obligations to such extent that the debtor nations are doomed to a perpetual and never-ending competitive struggle to obtain the gold to pay the ever-maturing interest account. Think of the position of our country being a debtor in the sum of \$6,000,000,000, created in an attempt to resist a revolution in prices inaugurated by our own Government in 1873. To what extent are prices doomed to fall in this country before we can sell enough products abroad to release our selves from our money obligations to other countries and buy with our products a share of the world's gold which we can hold and call our own Shall we continue the policy of protection and deceive ourselves with the idea that we can resist the inevitable fall in prices thereby and mortgage ourselves to the gold-owning creditor countries until we have sent abroad in lieu of gold not only all of our railroad bonds and mortgages, our national, State, and municipal indebtedness, but the titles to our lands as well. This is what awaits us if we continue the gold standard. There is no way to

avoid this except to abandon protection, put down prices to where we can undersell the world, and buy gold with our products in the free-trade markets of the world with which to cancel our foreign debt. After this has been done we can draw gold to our shores that will remain here, and not

before.

No contention is made that the protective feature of tariffs is made more or less operative between nations having a common money standard, because of the standard being bimetallic, or composed of either of the metals singly, but the contention is that the protective feature is inoperative if the standard is appreciating, that our tariff ceased to be protective soon after 1873, one account of the appreciation of gold occasioned by the increased demand, and that in addition to our high war tariff, superseded by the still higher McKineley tariff, and the incurring of a foreign debt of about six billions of dollars, our efforts to resist the inevitable fall in prices proved futile. Prices have fallen one-half and the period has been marked by labor strikes, business failures, the practical annihilation of domestic competition through the organization of trusts and the unprecedented centralization of wealth at the money centers.

Fundamentally, protection is a policy to so modify and restrain trade with foreign countries having a common money standard that the protected country shall recall in not only what would be its distributive share of the total metallic n. asy of the world under free trade, but that its distributive share be made larger and that its domestic price levels may be raised higher than the international free-trade level.

That high tariffs have failed to protect in the United States since 1873 is evidenced by the fact that instead of having more than would be our distributive share of the metallic money of the world under free trade we have none that is our own; that we owe foreign countries more gold than is possessed by all the nations and people of the earth, and that we must abandon the gold standard and restore bimetallism, because the policy that we have pursued since 1873, if continued, will at no distant day force us to part with to foreigners everything in the country of any value, even to the titles to our land.

The ostrich is said to seek safety against inconding descent.

r land.

The ostrich is said to seek safety against impending danger by burying its
id in the sand. The intelligence of American manufacturers parallels the
tinct of this bird when they seek relief from present conditions and safety
the future through protective tariffs coupled with the gold standard
policy that we have pursued since 1873, if continued, can only end in
undiation and revolution, or the permanent enslavement of the masses of
reconds.

CIVILIZATION MENACED BY ASIATIC COMPETITION.

Our people.

CIVILIZATION MENACED BY ASIATIC COMPETITION.

But there is another phase of this question that is still more alarming, because if not checked at once it involves the destruction of the civilization of the Western world. I refer to the revolution in the industrial world resulting from the destruction of the bimetallic money standard and the dividing of the world into two monetary hemispheres—the silver hemisphere of the East and the gold hemisphere of the West.

Under bimetallism all the gold and silver of the world, coined and uncoined, was potentially money at the legal ratio, and whenever exchange on countries coining gold alone or silver alone departed from the coinage ratio sufficient to profitably transport coin to or from countries conferring equal monetary rights on both metals, automatic adjustment took place.

But with the destruction of the bimetallic standard all this was changed. The rapid and constant rise in the price of gold exchange in silver-standard countries soon doubled the price of commodities imported from gold-standard countries. The effect of this was to force the Asiatic countries, where the wages of labor and prices in general have been for centuries and still continue at a lower level than ever known among any other people, to manufacture for themselves. The price of gold exchange having doubled had the same effect in increasing the price of imports from gold-standard countries that an import duty of 100 per cent would have.

While India and Japan under the stimulus thus afforded were developing their cotton mills, until they now supply the Asiatic demand for cotton yarn, England was purchasing the wheat and cotton of India, paying the same price in silver as before 1873, and laying the same down in Liverpool at a cost to them in gold as much below the price of 1873 as silver bullion had fallen below the mint price under free coinage.

It must be borne in mind that the cost of commodities—that is, the material, labor, land rents, and interest on capital—together with the

reckoned in the money of the country where the goods are produced, and that they are always paid for in current money of the country where they are sold.

If goods are produced in the United States and sold in Japan sufficient sliver must be received for them that when exchanged for gold it will cover the cost and the profits; likewise, that if goods are produced in Japan and sold in the United States, they can be sold for just sufficient gold that when exchanged for sliver it will cover the cost and the profits.

Under bimetallism it was shown that neither country was benefited nor injured because of the metal comprising the current coin, but it will be readily seen that under existing conditions the advantage is on the side of Japan and against the United States to the extent of the fall in silver exchange below the rate that prevailed prior to demonetization in 1873.

With thousands of years behind us during which the Mongolian nations manifested no disposition toward commercial exploitation, but on the contrary resisted every innovation upon their long-established modes of life—content with selling other nations the few articles of manufacture peculiarly their own and such products as soil and climate gave them a natural monopoly of—there is no good reason for believing that this sleeping glant of the East could have been aroused from his slumbers by conditions less extraordinary than were presented by the exchanges after the manufacturing nations adopted the gold standard.

Agriculture in gold-standard countries understandard countries have not suffered a worse fate than has overtaken the wheat and cotton growers is that the Asiatic nations did not have competing articles to offer.

Bilver in the oriental nations continues to purchase raw material and labor.

offer.

Silver in the oriental nations continues to purchase raw material and labor as cheaply as in any time in the past. Those overpopulated nations containing one-half of the human family, perpetually on the verge of famine, the frequency and fatalities of which have developed and intensified a universal system of hoarding, constantly trenching upon the coin in circulation, has had for thousands of years and still continues to have a wage rate barely permitting continued existence to the teeming millions of toilers.

Before aliver was outlawed in the Western world, 15; ounces of silver in the Orient paid for commodities that cost an ounce of gold in the Occident, but at the present time it requires 31 ounces of silver to purchase the product of an ounce of gold.

Upon a wage in silver barely sufficient to continue life the alternative to the toilers of Asia was to manufacture for themselves the articles formerly imported from America or Europe or forego their use altogether.

These extraordinary and exasperating conditions awoke the Japanese from the sleep of ages. The recent invasion of our markets by manufactures from Japan is perhaps the most threatening and direful in the chain of calamities resulting from the ill-conceived and totally wicked effort of the world's creditors to plunder and enslave the world through the demonetization of silver. Upon the gold standard the present rate of exchange gives Japan an advantage over the manufacturing nations of America and Europe equivalent to a protective duty of 160 per cent and an export bounty of the same amount. This is the premium that the devotees of the gold standard in the United States have put upon the destruction of the civilization of the Western world. Who among them will content that when factories are established in Japan. China, and India, equipped with the latest improved labor-saving machinery, and operated by labor paid from two to three dollars per month, that the era of colleges, schools, and churches is not doomed?

The Financial Legislation of the Republican Party all Favors Monopolies and Wealth.

SPEECH

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 11, 1896.

Mr. WHEELER said:

Mr. SPEAKER: Prior to 1861 each State enacted its own banking Mr. Speaker: Prior to 1861 each State enacted its own banking laws, and pursuant thereto banks were established in all localities where they were needed by the people. There were no general money centers, but each bank vault was the point of issue and redemption, and the best business of the country bank was to loan its money to farmers and others, taking land and other real estate as security. In 1861 the country fell into the hands of the Republican party, and every financial law enacted by them has been in the interest of monopoly and wealth and against the interest of the records.

the interest of monopoly and wealth and against the interest of the people.

They enacted what are called the national banking laws. They were framed and dictated by the moneyed men and the bankers of New York, who took special pains to so frame the laws as to give them the monopoly of banking and the substantial control of the money of the United States. By these laws all bankers other than national bankers were prohibited from issuing any currency by the attachment of a penalty of 10 per cent on every dollar issued. This gave the national bankers the monopoly of issuing currency. These men possessed vast amounts of personal property, and in order to give them the monopoly of borrowing from these banks they secured the enactment of a provision which prohibited national banks from loaning money unless it was secured by the kind of property which they had and which the mass of the people did not have. This made it impossible for the great mass of the people of the United States, whose property consisted of land or other real estate, to borrow one dollar from the national banks, which under the law were the only banks of issue allowed to exist. This monopoly, of course, resulted in the Northeastern moneyed men becoming owners of substantially all the money and bonds issued by the Government. by the Government.

REPUBLICANS LEGISLATE FOR BONDHOLDERS AND CAPITALISTS

In 1869 the currency of the country was at a discount of 30 or 40 per cent, and all bonds stated upon their face that they were payable in this currency. The bondholders were so powerful that in March, 1869, they induced a Republican Congress to enact a law stating that their currency bonds should be paid in coin. As that time the silver in a silver dollar was worth as much and even more than the gold in a gold dollar, and therefore they did not designate the kind of coin that they were to receive; but, realizing that to reduce the amount of coin would enhance its value, in 1878 they argin exercised their influence over Congress and second

1878 they again exercised their influence over Congress and secured the enactment of a law demonetizing silver, which, of course, enhanced the value of gold, and at the same time necessitated the payment of their bonds in that metal.

Having secured the enactment of a law making gold the only maney of ultimate redemption, the moneyed classes again came to a Republican Congress in 1874 demanding the enactment of the resumption law, which made it the duty of the Secretary of the Treasury to redeem the legal-tender notes in excess of \$300,000,000, nod after January 1, 1879, to redeem in coin the legal-tender notes. and after January 1, 1879, to redeem in coin the legal-tender notes

then outstanding.

The consideration by Congress of this and kindred measures

The consideration by Congress of this and kindred measures caused a political revolution in our country.

The Forty-third Congress, then sitting and seeking to enact this legislation, had a Republican majority of 115, but so obnoxious were this and kindred Republican measures to the people that in November, 1874, they rose in their might and elected the Forty-fourth Congress, with a Democratic majority of 77.

The members of the Forty-third Congress were so well aware of the unpopularity of this measure that they did not dare to fully complete this work until after the election, and the resumption

act did not become a law until after the election of November,

1874, the date of the final enactment being January 14, 1875.

One hundred and thirty-six Republicans voted for the bill, and every Democrat in the House voted against it.

EFFECT OF RESUMPTION ACT.

The effect of the resumption act was so disastrous to the country that there was an almost immediate and well-nigh universal demand for its repeal. Property of all kinds fell in value, mortgages were foreclosed, and distress prevailed throughout the land. This was responded to by the Democratic party, and the national Democratic platform adopted on June 28, 1876, which it is understood was written by that great conservative statesman, Samuel J. Tilden, said:

We denounce the resumption clause of the act of 1875, and we here demand

This demand was further responded to by the Democratic House of Representatives, which, a month later, August 5, 1876, passed a bill repealing the law; and Congress still further responded to the demand by the passage of an act for the free coinage of silver, and it still further responded by a very nearly unanimous vote upon the following resolution:

Resolved by the Senate (the House of Representatives concurring therein), That all the bonds of the United States issued, or authorized to be issued, under the said acts of Congress hereinlesfore recited, are payable, principal and interest, at the option of the Government of the United States, in silver dollars, of the coinage of the United States, containing 412; grains each of standard silver; and that to restore to its coinage such silver coins as a legal tender in payment of said bonds, principal and interest, is not in violation of the public faith, nor in derogation of the rights of the public creditor.

The Republicans became alarmed, and to save the party from defeat they incorporated the following expression in the Republican platform of the national convention of 1888:

The Republican party is in favor of the use of gold and silver as money. And to be more emphatic, they denounced the Democratic Ad-

ministration for what they chose to term—
The efforts of the Democracy to demonstize silver.

Notwithstanding their pledges, the moment the Republicans obtained power they, in obedience to the demands of the moneyed classes, enacted the Sherman law of July 14, 1890, which repealed the silver-coinage law of 1878, and from that time to this the struggle has continued between the moneyed power to maintain the gold standard and the people to restore bimetallism.

It was this same influence which secured the repeal of the pur-

chasing clause of the Sherman Act.
In 1892 the Democratic platform demanded the—
Coinage of both gold and silver without discriminating against either metal.

And the Republicans promised the peopleof both gold and silver as standard m

The Republicans have now become emboldened by their party victories in 1894, and now they for the first time throw off the mask and declare unblushingly for the perpetuation of the single gold standard.

That the honest farmers, laborers, and wage workers in all vocations throughout our land will rebuke this arrogant, unprecedented, and astounding demand of the monopolists, bankers, and millionaires can not admit of doubt.

Banking and Currency.

REMARKS

OF

HON. JAMES S. SHERMAN,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 8, 1896.

Mr. SHERMAN said: Mr. SPEAKER: Under the general leave to print which has been granted by the House I desire to submit certain facts as to bank-

ing and currency.
As supplemental thereto I add as appendices the article on "Free As supplemental thereto I add as appendices the article on "Free trade or protection," being the reply of the Hon. James G. Blaine to the Hon. William E. Gladstone, and published in the North American Review for January, 1890, the copyright of which is in the North American Review and has been very kindly granted me for this purpose by Mr. Lloyd Etrice, of the North American Review. Mr. Blaine was for many years possibly our foremost, certainly one of our greatest citizens. He has now gone from us, but his words, his counsels, his opinions will bear weight—a greater weight with each succeeding generation of his fellow-citizens, who recognize in him a typical, intense, and far-sighted American. As a timely exposition of the views and aims of what we trust is a majority of our citizens, I also add the platform recently adopted at the Republican national convention in St. Louis, Mo.

At that convention one of the most notable though brief expo sitions of sound American doctrine was delivered by the permanent chairman, Hon. J. M. Thurston, a Senator from Nebraska, with whose words I conclude.

THE USE OF METAL AND PAPER MONEY.

Metallic money, gold and silver, each has been, ever will be the base for the exchanges of mankind. But as commerce increases substitutes for these in the form of paper, covered or uncovered, have come more and more largely into use. Wholly uncovered or fiat money is the dream of the Greenbackers in the United States and of those of similar views under different names in other countries; but these have never yet succeeded in changing the preference of the peoples of the world for metallic money as the ultimate or redemption money. It is, however, fully established that an issue of paper money, each dollar based on a metallic dollar deposited in a secure place and obtainable on demand, furnishes a most desirable medium for the chief purposes of furnishes a most desirable medium for the chief purposes of

NATIONAL VS. STATE CURRENCY.

In the early days of the Republic we had a national bank issu-In the early days of the Republic we had a national bank issuing paper money based on the coin reserve provided by law. When this had been legislated out of existence by the Democratic party of Juckson, the country had to fall back on the system of State banks. This policy continued so long as the Democratic party was in power, and until in 1862, when, under the wise management of the Treasury Department in the hands of Salmon. management of the Treasury Department in the hands of Salmon P. Chase, the Republican party gave the country the present safe system of national banks. The Democratic party is still in favor of a return to the antiquated and dangerous method of State banks, disregarding the wonderful changes in the conditions of the country since they ceased to exist, and a return of which would cause more disaster, if that be possible, than that caused by their bungling with the tariff.

WHAT STATE BANKING ISSUES MEAN

It is well for this generation to consider to what the Democratic party desires to return. It will be instructive to study the pen picture shown in the report of the Secretary of the Treasury, Hugh McCullough, made in 1876:

There were scarcely two States in the Union whose systems were alike. In some States banks were chartered with proper restrictions upon their discounts and their circulation; in others without any such restrictions. In some there was individual liability; in others no liability at all, not even in cases of grous missmangement. In some States the circulation of the banks was sourced partially, at least, by mortgages and bonds; in others there was no security except the capital, which was frequently a myth. In some States banking was a monopoly; in others it enjoyed the largest liberty. The consequence was that we had a bank-note circulation frequently worthless and, when solvent, lacking that uniform value which westwooded in business transactions between the circulation of the State banks was entirely unlitted for a country like ours; that by it the people were subjected to enormous losses, and not only in the way of exchanges, but in the inability of a great many of the banks to redeem their notes.

Does this inspire us with a desire to be the contract of the constants of the contract of the contract

Does this inspire us with a desire to have single States, say Florida, Mississippi, Alabama, and Arkansas, giving the people of these United States a safe circulating medium?

Yet the platform of the Democratic party adopted at Chicago

We recommend that the prohibitory 10 per cent tax on State-bank issue repealed.

We recommend that the prohibitory 10 per cent tax on State-bank issues be repealed.

That is all that is needed to open the flood gates of unlimited gaper money by every one of the 45 States. It would even allow Arizona and Alaska an opportunity to come to our rescue. It would be a sight to please the gods of discord and unrest to see the honest farmers and laborers of this country studying the figures and make-up of Democratic "wild-cat" money printed in far-off Alaska, or Utah, Arkansas, or Florida, to see if it was a safe return for their wheat or labor. We would, indeed, have back the good old times when the well-to-do Michigan farmer, en route to Chicago with \$1,500 of this precious State money, was put off the train because he did not have the sort of money required by the seemingly heartless corporation which placed little trust in the promises to pay of any man who set up a money shop in his back yard and peddled out his promises to pay with generous hand, tut at the time of redemption hied himself where the woodbine twineth.

REPUBLICAN PAPER MONEY.

All whose memories reach back to the fall of Sumter know that All whose memories reach back to the fall of Sumter know that this Democratic money was the only substitute for gold or silver until the Republican party came into power in 1861. The first call of the Treasury exhausted the specie, and the banks promptly suspended payments. A national currency was absolutely indispensable to save the nation. In this, as in every crisis, the Republican party met the exigency; legal tender (Treasury notes and greenbacks) were issued to take the place of the disappearing specie; and a system of national banks was devised (the most perfect ever known in this or any other country), with their issues secured by a deposit of national bonds; the often worthless and always unreliable State-bank issues were cleared away by a tax of 10 per cent on their circulation, and, more than all, the revenues necessary for maintaining the national life were provided. THE NATIONAL BANKS.

Unlike the old Government Bank, these were independent of each other, so they could not combine against the Government or the people. Within safe limits any number of individuals could associate themselves and issue their notes. They were under strict governmental supervision—aye, more, each and every one of the bills issued by them was and ever has been worth 100 cents on the dollar wherever in all this broad land it may have been issued. Who cares or looks to see where the bill thus devised by the Republican party to help obtain funds to preserve the national life was issued unless it be from curiosity? Oregon or Florida, Maine or Texas, it matters not; they pass current in any bank in Chicago, New York, or over the counter of any store in the Union. The farmer of the West, the planter of the South, the laborer wherever he may be, has only to note the figures they represent.

NATIONAL BANKS HZLPED RESUMPTION.

When peace was once more restored this same system aided the Government to resume specie payments and to pay off and fund the national debt in bonds drawing less interest. Of course the Democrats opposed every step; that has appeared their main mis-sion in life. Dazed by the popularity of the national currency, it plunged into the vagaries of "greenbackism" and denounced the resumption act" of 1875.

The Democratic party has never forgiven the national banks for helping to furnish the sinews of war, and in 1892 laid aside all false pretenses and demanded the unconditional repeal of the only hindrance to the flood of State money, the 10 per cent tax on Statebank circulation.

bank circulation.

DEMOCRATIC TESTIMONY ON DEMOCRATIC PAPER MONEY.

It is this paper system of extravagant expansion, raising the nominal price of every article far beyond its real value, when compared with the cost of similar articles in countries whose circulation is wisely regulated, which has prevented us from competing in our own markets with foreign manufactures, has produced extravagant importations, and has counteracted the effect of the large incidental protection afforded to our domestic manufactures by the present revenue tariff. But for this the branches of our manufactures by the present revenue tariff. But for this the branches of our manufactures composed of raw materials, the product of our own country—such as cotton, iron, and woolen fabrics—would not only have acquired almost exclusive possession of the home market, but would have created for themselves a foreign market throughout the world.—Message, December 8, 1857.

When Congress met in December last the business of the country had just been crusted by one of those periodical revulsions which are the inevitable consequence of our unsound and extravagant system of bank credit and inflated currency. With all the elements of national wealth in abundance, our manufactures were suspended, our useful public and private enterprises were arrested, and thousands of laborers were deprived of employment and reduced to want.—Message, December 6, 1858.

It will appear from the report of the Secretary of the Treasury that it is extramely doubtful, to say the least, whether we shall be able to pass through the present and the next fiscal year without providing additional revenue. It is now quite evident that the financial necessities of the Government will require a modification of the tariff during your present session for the purpose of increasing the revenue.—Messages, December 18, 1859, and December 3, 1850.

It will be observed that while the President (Buchanan) charges to the excessive and insecure State-bank issue the chief cause the panic, he is compelled to admit that "the revenue tariff" the panic, he is compelled to admit that "the revenue tarin" of his party did not produce the requisite revenue, and that the only conservative feature of this tariff was its "incidental protection" to manufactures from "our own raw material." But the chief point here is that no State-bank system can have its "circulation wisely regulated" and properly secured. Competition between numerous States to secure the most bank capital, ignorance of the laws which determine commercial business, I ignorance of the laws which determine commercial business, laxity
of sentiment in regard to the obligations of debt, desire to favor
influential private interests, striving after party advantage, and
inevitable difference of opinion in different States multiply and
vitiate these bank systems. But with the close of the Buchanan
Administration a speedy end was brought to this whole business.

And yet even at this late day, and with the present conditions
most decidedly opposing such a scheme, they rise up and ask for
its restoration.

its restoration.

NATIONAL BANKS AND REFUNDING THE PUBLIC DEBT.

Let us see what the banks did to facilitate the tremendous work of getting our bonds scaled down from high to low rates of inter-As the war was over, the credit of the nation rose so that the Republican party sought to reduce the interest rate. In this work they were greatly aided by the national banks, as is shown by the following extracts:

COMPTROLLER OF THE CURRENCY-1879.

The wisdom of Secretary Chase and the others who, in 1862, advocated the establishment of a national banking system was long since recognized by those who understood the principles which should govern a sound system of currency and banking; but in the light of the extraordinary financial operations of the Government during the present year the wisdom and the economy of the system, both for the Government and the people, are now more apparent than ever.

The refunding of the national debt commenced in 1871, at which time the national banks held nearly four hundred millions of the 5 and 6 per cent bonds, and from that date to the present time they have held more than one-fifth of the interest-bearing debt of the United States. A large portion of the bonds held by them in 1871 bore interest at the rate of 6 per cent. This class of bonds has been greatly reduced, and is now less than one-sixth of all the bonds pledged for circulation, while more than one-third of the amount consists of bonds bearing interest at 4 per cent.

It is certain that if the national banking system had not existed, and United States notes had alone been issued, the refunding operations here described and the consequent large reduction of interest upon the public debt would not have been possible.

NATIONAL BANKS AND RESUMPTION OF SPECIE PAYMENTS.

The same report of the Comptroller says:

The same report of the Comptroller says:

The resumption act not only fixed the day of resumption, but authorized the Secretary, in order to prepare and provide therefor, to use any surplus revenues not otherwise appropriated, and to issue, sell, and dispose of, at not less than par in coin, any of the bonds of the United States described in the act of July 14, 1870. Under this act, the Secretary in 1877 sold at par fifteen millions of four-and-a-halfs and twenty-five millions of fours; and in April, 1878, he sold fifty millions of 4½ percents at a premium of 1½ per cent. The coin in the Treasury continually increased, so that on the day of redemption the Secretary held over one hundred and thirty-five millions (\$135.382.639) of gold coin and bullion, and, in addition, \$22.476.005 in silver coin and bullion, the gold coin alone being nearly equal to 40 per cent of the United States notes then outstanding.

The banks in the cities of New York and Boston strengthened the hands of the Government by their action in October, 1878, an account of which will be found in my report for that year. The assistant treasurer of the United States at New York became a member of the clearing house, thus facilitating the business of the banks with the Government, and the banks agreed to receive United States notes, not only for their ordinary balances, but in payment of the interest upon the public debt and of other coin obligations of the Government. The banks of the country at the date of resumption held more than one-third of the outstanding Treasury notes; but they had so much confidence in the ability of the Secretary to maintain resumption held more than one-third of the outstanding Treasury notes; but they had so much confidence in the ability of the Secretary to maintain resumption held more than tone were presented by them for redemption.

The people also, who held more than three millions of the issues of the national banks, which issues were based upon the bonds of the nation, preferred such notes to coin itself. There

There are victories of peace quite as great as those of war, and these of refunding and resumption may safely be classed in the latter list. The national banks served a useful purpose in both these instances, and they have never been forgiven therefor by the Democratic party.

PROFITS ON CIRCULATION OF NATIONAL BANKS.

In blind hostility to every act of the Republican party Democracy has charged that the national banks, besides having aided in putting down the rebellion, refunding, and resuming specie payments, not to mention the other fact of having furnished the safest and most convenient paper money ever known in the world, were sucking the blood out of the people by the immense profits they make on their circulation. There is no law or regulation which prohibits Democrats or even Populists, if they have the required capital, from entering the system of national banks. Consequently it would seem that, if their charge were true, the Republican party had been foolish enough to put a powerful weapon into the hands of their enemies.

But they make elaborate charges, only to have them disproved, to the effect that the circulation feature of the national banks is of immense value to them, and as a result a great burden to the

of immense value to them, and as a result a great burden to the

AN EXAMPLE

A Democratic Secretary of the Treasury authorizes the following statement of the matter, which will be found on page 355 of the Report of the Comptroller of the Currency for 1895, Part I: Deposit of \$100,000 of bonds, 4 percents, October 31, 1895

Market value, \$111,483.70; interest, 4 per cent	\$4,000.00 5,400.00
Total From this deduct— Tax \$900.00	9, 400.00
Annual cost of redemption 45.00 Express charges 3.00 Plates 7.50 Agents fees 7.00 Sinking fund 686.60	
Total deductions	1,649.10
Net receipts Interest on cost of bonds	7,750.90 6,689.02
Profit on circulation	1,061.88

The above is on a 4 percent bond of 1907. On one of the same rate of interest, but falling due in 1925, one of those which have been recently issued by this Administration to meet the current expenses of the Government, the net profits are stated as being \$855.21, or eight hundred and fifty-five one-thousandths of 1 per

LESS THAN 1 PER CENT.

The above figures, which are absolutely correct, show that the maximum profit is only a trifle over 1 per cent, and on the extended 4 percents less than that amount. But there are other provisions of law which national banks must observe which reduce even this small profit. For instance, they must keep on hand at all times 25 per cent of their circulation as a lawful redemption fund. This would require of the above money \$22,500 out of the \$90,000 not loanable and bringing in no revenue. Then, too, they can not keep all their available money loaned all

the time; there is always a loss between the payment of one and the placing of another.

CIRCULATION HAS DECREASED.

The above explains why the actual circulation is so much less than that authorized by law. The following table exhibits this difference from the date of the establishment of the national-bank system up to the end of the year 1895:

Authorized and actual circulation of national banks.

Year. (Last statement of year.)	Authorized cir- culation.	Actual circu- lation.	Per cent.	Number of banks.
1863	\$6, 469, 553. 70 78, 104, 521. 80	Not stated. \$45,280,504.00	. 579—	66
1865	353, 841, 485, 40	171, 321, 903.00	.481-	1,518
1866	373, 925, 132, 10	280, 253, 818, 00	749-	1,64
1867	378, 066, 073, 50	293, 887, 941, 00	.777-	1.645
1868		295, 769, 489, 00	.781+	1,64
1869	383, 750, 235, 90	293, 593, 645, 00	.765-	1,61
1870	301, 820, 403, 60	296, 205, 446, 00	.755-	1.64
1871	414, 203, 297, 40	818, 265, 481.00	768-	1,79
1872	434, 345, 626, 80	336, 289, 285, 00	.774-	1.94
1873	115 000 010 00	841, 320, 256, 00	773	1.97
1874	110 100 000 00	831, 193, 159.00	742_	2,02
1875		814, 979, 451.00	. 600-	2,08
1876		292, 011, 575.00	.652_	2,08
1877		299, 240, 475, 00	. 696-1-	2,07
1878		303, 324, 733, 00	.724	2,05
1879		321, 949, 154.00	. 787	2,05
1880		817, 484, 496, 00	700-	2,00
1881		825, 018, 161, 00	.775-	2,16
1882	400 000 5 40 00	315, 230, 925, 00	799_	2,30
1883		804, 994, 131, 00	. 662	2,52
1884		280, 197, 043, 00	.504	2,66
1885		267, 430, 837, 00	.561-	2,73
1886		202,078,287.00	407-1-	2,87
1887		164, 904, 094, 00	.315-	8,07
1888		143, 549, 296, 50	268-	8, 15
1889		126, 039, 541, 30	. 226-	8, 32
1890		123, 038, 785, 50	.207-	8,57
1891	000 003 004 00	134, 792, 873, 25	. 220-	8, 69
1892	6000 BUDG 434 B 600	145, 669, 499, 00	.234-	8,78
1893	010 001 001 00	179, 973, 150. 50	. 293-	3,78
1894	200 040 040 NO	109, 337, 071.00	. 282	3,73
1895		182, 481, 610, 50	.308-	3,7

Note.—The above statement is made from the official report of the Comptroller of the Currency for 1895, Part I, pages 521-541. The column headed "Authorized circulation" is computed at 90 per cent of the actual capital and, while not exact—a few banks being limited to 90 per cent. 75 per cent, and 60 per cent—is substantially accurate. The column headed "Actual circulation" is copied from the official tables, as also the dates and number of banks. The column of percents has been calculated and any possible errors can be detected by a division.

An examination of these figures shows that within three years from their organization national banks were circulating 75 per control their organization national banks were circulating 75 per cent of the full amount allowed them by the law; that they never went higher than 78 per cent, in 1868, and 78.7 per cent, in 1879; that this went down to 65 per cent in 1876, fell steadily from 77; per cent in 1881 to 20.7 per cent in 1891, and has slightly gained since, reaching 30.8 in 1895. If there were so much money or profit in the circulation of their own notes, we may be sure these national banks would not have failed to avail themselves of the opportunity to the fullest extent. opportunity to the fullest extent.

PROFITS ARE IN DEPOSITS, NOT CIRCULATION.

As has before been shown, the true source of profit in national banks, as indeed in all banks, is in the large amount of individual deposits. To induce these deposits they must command the confidence of the community. A bank is very much like the Texan's pistol. He did not often need it. Indeed, he went many years carrying around, at considerable inconvenience, a dangerous and heavy weapon; but when he did at last need it he needed it badly and at once, and he needed a mighty good one. Like the Irishman who wanted his money until he found the bank had it and would give it to him, we all want to know that the particular money we receive for any transaction is good to-day and will be good at any time in the future. time in the future.

THE VALUE OF A NAME.

The very fact that a certain institution is called a "national" bank, and is known to be under the regulations of the national banking act and regularly inspected by Government bank examiners who are clothed with authority to promptly take charge when conditions require it, is a strong evidence of soundness and tends to bring to it a larger line of deposits. In this is the chief profit. Many a bank with but small capital has deposits very many times that sum, and on these makes the difference between the small allowance of interest on deposits and per cent charged on loans. That the privilege of issuing their own notes is not generally a source of profit is shown by the figures given.

PROFITS OF NATIONAL BANKS.

PROFITS OF NATIONAL BANKS.

There were, September 1, 1895, 3,703 national banks in the United States. Of these, 589 in the New England States earned, for the half year ended September 1, 1895, 2.1 per cent on their capital and surplus; 840 in New York, Pennsylvania, and New Jersey earned 2.97 per cent; 166 in Delaware, Maryland, Virginia, West Virginia, and the District of Columbia, 2.94 per cent; 492 in

the Southern States, 3.18 per cent; 753 in Ohio, Indiana, Illinois, Wisconsin, and Michigan, 2.96 per cent; 556 in lowa, Minnesota, Missouri, Kansas, and Nebraska, 2.15 per cent; 119 in Colorado, Nevada, California, Oregon, and Arizona, 2.44 per cent; while 188 in the remaining Northwestern States and three Territories earned 1 per cent less than nothing for the time given. Savannah, Ga., 1 per cent; St. Paul, Minn., 0.53 per cent; Nevada, 0.49 per cent; South Dakota, 1.76 per cent; Washington, 1.55 per cent; South Dakota, 1.76 per cent; Washington, 1.55 per cent; and Montana, 5.88 per cent, are all minus quantities. In other words, they made nothing; did business for the time given at a net loss. The average earnings in all the United States for this period was 2.6 per cent. (Report of the Comptroller of the Currency, 1895, Part I, pages 420–423.)

PROPITS OF STATE BANKS.

On page 14 of the same report returns from 928 State banks from 24 States for the year ended June 30, 1895, give an average dividend of 7.2 per cent, or considerably above that earned by the national banks. Evidently banking is not the endless picnic which many seem to think; and, more than this, national banks are not making more money than State banks, in spite of the wonderful privilege they enjoy of issuing their own money.

HOW MONEY IS ISSUED.

Let us look into this question of issuing money a little further, so as to discover why it seems so fertile a source of invective on the part of those who oppose the national-bank system. It seems the part of those who oppose the national-bank system. It seems very fascinating to the average mind that one can sign his own bills and have, back of them, the whole credit of the United States. When one comes to look into the conditions they are not all so inviting. Uncle Sam hedges this privilege around pretty thoroughly. He says in substance that whoever pretends to furnish money to his people must give ample guaranty that this money shall be good—good not only now and for a few months, but good for all time; and so long as the United States lasts it will hold an ample fund with which to redeem any of these bills which the bank does not itself take up. It makes no difference whether the bank continues or ceases to exist. If it stops it can not get hold of the bonds which it had to deposit before it was not get hold of the bonds which it had to deposit before it was not get hold of the bonds which it had to deposit before it was allowed to issue its own paper until lawful money has been deposited to redeem the last of its bills. Uncle Sam's heartless Treasurer retains these bonds or this money regardless of the personnel or politics of the owners. No excuse is accepted, and nothing satisfies except the strict compliance with the letter of the law.

STARTING AND MANAGING A NATIONAL BANK.

But before a bank cashier or president can sit down and sign off his notes he has had to do several things. He has to associate with him four other persons, and they together have to put up money enough to purchase \$100,000, par value, of Government bonds. These are still expensive articles to have in the house, even if they have become rather more plenty since the Cleveland Administration acquired the habit of issuing them for running expenses. In the year 1895 this transaction would have required for fours of 1925, \$121,752.70. On this outlay he will be able to float 90 per cent of the par value, or \$90,000. But he must always keep on hand a reserve of 25 per cent, either in this money or in that of those whom he can induce to deposit in his bank. This calls for \$22,500 off, or leaves him a net circulation beyond his own bank of \$65,500. His association can not do business in their hats; it must have vaults, and a safe, and a convenient location for its bank, and these things cost good money. He must have a full set of books and a sufficient force of officials and clerks to do the business. In our West and Southwest he must also lay in a fair supply of firearms with which to discourage those who wish to reach wealth by quicker ways than those usually accepted as legitimate. Of late he has to do this in other sections also. He legitimate. Of late he has to do this in other sections also. He has to pay local taxes, a circulation tax of 1 per cent, cost of redemption, express, plates, agents, and carry one-tenth of the net profits to a sinking fund to be available when needed to make up for bad debts or any other losses. His bank can only charge the legal interest in the State where it is located; a violation forfeits the entire interest. He must furnish reports to the Comptroller when demanded, and from time to time pay the charge fixed by law—\$25 and up—to compensate the national-bank examiner who comes to check up his cash and see exactly how he is carrying on comes to check up his cash and see exactly how he is carrying on

No overdraft can be cashed, not even for his best customer, nor can he loan to any one person more than a certain portion of the capital. No more real estate can be held than is needed for the bank's uses, and if any comes in on debts it must be disposed of

within five years.

In short, he is so hedged about with restrictions and limitations that his bank is safe—the safest in the world. It is just what a bank should be and fills a necessary place in every community.

WHAT IS A BANK GOOD FOR?

It is the fashion in these days for certain classes to lay all mon-etary ills at the door of banks and to declare that we would be

better off without any banks at all. Well, we could get along without banks, or without hearts either, for awhile—a very short while! As a general proposition we need a heart for the gathering up, conservation, and redistribution of the blood which nourishes the body. Unless we have some such organ, without this force, either of blood for the individual or of money for the community, we get clogged up, and life, individual and financial, comes to an abrupt stop. The safety of the community lies in having the banks well regulated, secure as places of deposit, furnishing a sumply of abrupt stop. The safety of the community hes in having the canada well regulated, secure as places of deposit, furnishing a supply of money to the people which shall have a stable value, and finally to have its own, and the funds of those who have deposited with them, to loan out to those who may need them in the carrying on of any business

WE HAVE PASSED THE STOCKING PERIOD.

The coffee pot and stocking have ceased to be a safe and useful place for the deposit of the people's money. Even the hiding place under the floor or in the back yard has come to be more honored in the breach than in the observance. Indeed, there are those who declare that such hoarding of money is an offense against good morals as well as unsafe. We are 70,000,000 people, and the simultaneous withdrawal of five or ten or a thousand the large property of the standard of the content of the samultaneous withdrawal of five or ten or a thousand the large property of the samultaneous withdrawal of five or ten or a thousand the samultaneous withdrawal of five or ten or a thousand the samultaneous withdrawal of five or ten or a thousand the samultaneous withdrawal of five or ten or a thousand the samultaneous withdrawal or five or ten or a thousand th

ple, and the simultaneous withdrawal of five or ten or a thousand dollars by a large number of people would have a serious effect on the supply of money for all the people.

The peasants of France still do this, although in smaller proportion each year. The poor people of Mexico, who have no safe banks in which to deposit their little savings and a poor money to save, still dig holes in the ground to hide away their hoards; but the people of these United States are not like either of these. They possess the intelligence to see that such hoarding is not only unsafe and unprofitable for themselves, but against public policy.

GOOD BANKS ENCOURAGE THRIFT AND AID BUSINESS

The day laborer who saves a few dollars each week can put his money into a secure bank where it earns him a small annual interest and is of service to others who need it for the time being. The farmer need not hide the surplus money from the sale of his crops farmer need not hide the surplus money from the sale of his crops (indeed, in these good Democratic days he has no surplus; his surplus is a deficit); he can deposit it and use it as his needs require. If he leaves it long enough he can get interest on his balances. The national banking system of the United States is the safest in all the world; it can be enlarged and extended to secure wider benefits to all the people. If necessary, the Government can guarantee the security of the deposits as well as that of the money issued by the banks. The statistics since the establishment of this system by the Republican party in 1863 show that a small tax on all banks would have been ample to cover such a guaranty against loss on deposits. against loss on deposits.

MODIFICATIONS OF BANKING LAW.

With the changed conditions due to the lapse of time some changes are now needed to make the national-bank system more perfectly in touch with commercial needs.

BANKS WITH \$25,000 CAPITAL.

It is possible to safely reduce the limit of capital to \$25,000 for smaller towns where so much as \$50,000 can not be conveniently raised or used. These should be encouraged, to the end that each community should have its own local banks and be more independent of those from a distance. If owned in whole or in part at home the management would be directly interested in the development of the place, and thus foster all legitimate home enter-

CIRCULATION TO PAR VALUE OF BONDS.

At present the limit of circulation is 90 per cent of the par value of the Government bonds deposited. We are not likely to run any risk, even should the Democracy continue in power another four years—and such a catastrophe seems about to be averted by unanimous consent—in allowing the limit to be increased to 100 cents or to the par value of the national bonds deposited. This would tend to encourage the establishment of more national banks and the change from private and State to national banks.

TEMPORARY INCREASE OF CAPITAL.

Much is said about the need of an elastic as well as a safe cur-Much is said about the need of an elastic as well as a safe currency. In times of financial stringency the need for legal-tender money is greater than in good times. It often happens that banks in outlying sections are unable to procure from their metropolitan correspondents the actual money needed. This may be remedied, in part at least, and with no risk of inflation beyond the actual needs of the country, by some such plan as:

1. Any national bank to have the right to increase temporarily its capital and thereby its circulation by remitting to the Treasury.

its capital and thereby its circulation by remitting to the Treasury or the subtreasury nearest to it Government bonds in any multiple of \$1,000 as collateral security and to receive in return by

ext mail its own unsigned notes in equal amount.

2. While such bonds are thus on deposit for such temporary loan the interest to be forfeited to the Government, and if they are not redeemed within one year, then the permanent capital of the bank to be increased to the amount of the former and additional such as the such that the such t tional capital and the bonds turned into the Treasury for sale.

3. If within one year the need for temporary increase of circulation ceases, the bank to be allowed to deposit lawful money and receive the bonds back again, less the interest and such sum as will cover the cost to the Treasury of the transaction.

Among the good results of such a plan would be that any bank holding Government bonds could within a few days get a supply of ready money without being wholly dependent on a distant money center. It would also make the bonds worth more at home, because of this provision, than abroad, and tend to keep them in this country and avoid the drain of interest to foreign countries over three months.

every three months.

Indeed, it is possible that by this means some of the long-time, high-rate bonds issued by the Cleveland Administration could be refunded into lower rate bonds with this circulation feature as an inducement.

RETTRE ALL SWALL GOLD COINS

The gold pieces of \$2.50, \$5, and \$10 might be retired and only The gold pieces of \$2.50, \$5, and \$10 might be retired and only the twenty-dollar piece left for use. For the few who get a gold piece it would be better to have the coins of convenient and safe size. The ten-dollar piece is too small for either. Then the restriction of pieces of gold coinage would be an economy in coinage to the Treasury, while the fact that gold was only usable for coinage into twenty-dollar pieces would help to equalize the present disparity of values. This would be materially aided by the increased use of silver demanded to take the place of the one and two dollar bills. two dollar bills.

THE ENDLESS CHAIN OF SECRETARY CARLISLE.

The threat of the Treasury notes, so graphically portrayed by Mr. Cleveland's Secretary of the Treasury, is due largely to the impecunious condition of the Treasury under the reduced revenues provided by the Wilson-Gorman tariff bill. When the revenues were ample, as under the Republican protective-tariff system, this alleged endless chain did not trouble the country; it did not trouble Secretary Windom; we had enough money left over each year to reduce the principal and interest of the public debt from lifty to an hundred millions. This was done, too, without stinting any proper use of money for the expenses of the Government. No one was then sitting up nights to see how they could stave off the pension payments from day to day so as to keep the expenses down to the meager measure of the receipts under a Democratic tariff. Public works for which money had been appropriated were carried on, not grudgingly, as now, but with the idea that the people believed in having those things done, and well and promptly done. In those days, when there was plenty of money coming into the Treasury from the imposts on foreign goods—when the foreign manufacturer was doing his share to support this Government—we were not troubled, as is Secretary Carlisle this Government—we were not troubled, as is Secretary Carlisle now, about the Treasury notes.

STARTING THE ENDLESS CHAIN.

Any man who attempts to run his business between wind and water, between hay and grass, must not be astonished if all the world does not have confidence as to his financial standing. In this case we all knew that these United States were amply able to pay all bills, but in many well-informed quarters there was a very robust opinion that the parties at the head of affairs here were wholly incompetent to perform their duties. It was this opinion and the well-known condition of chronic impecuniosity of the Treasury under the Democrats that have set this endless chain so busily at work to plague and frighten the Secretary. The Republican party had this chain; it was in position, but it did not move; it stood still. It had stood thus so long that people had begun to think it was stuck; that in fact it was rusted fast and could not revolve, until, lo! Démocratic impotence came to its own—came to attempt to direct the destinies of this mighty nation—oiled this chain with free trade, hard times, and no cash, when all at once it began rapid revolutions.

when all at once it began rapid revolutions.

Confidence in the engineer, and a full knowledge that sufficient funds are to be provided, will "put this wheel to sleep" again, put it into the same state of innocuous desuetude in which the Democratic party now languishes.

TAKES PAID BY NATIONAL BANKS.

It is often alleged that national banks do not pay their full share of taxes. Money hidden in a stocking or buried in the ground can not well be gotten at for taxation, but the capital, deposits, and circulation of a national bank are all of record; they can not be hidden from the assessor, whether for the Government or for

local purposes.

Up to March 3, 1883, they were required to pay a tax on capital

and deficiently the tions of the car contrate and any	AN DUNE SU
Tax on capital (to March 3, 1883)	\$7,855,887.74
Tax on deposits (to March 3, 1888)	60, 940, 067. 16
Tax on circulation (to June 80, 1895)	77, 539, 004, 86

Total.

This does not include cost of redemption, of new plates, and

From 1888 to 1895 the figures show— Semiannual tax on circulation Cost of redemption Cost of plates, new banks Cost of plates, extended banks	1,688,523.08 199,610.00 197,395.00
Examiners' fees	1,862,415.78

Total ... 29, 283, 430, 48

GOVERNMENT GUARANTEE OF DEPOSITS.

From 1863 to 1895 only 303 national banks failed-less than 10 From 1863 to 1895 only 303 national banks failed—less than 10 per year—a showing never made by any system of banks in the history of the world. Of these every one had on deposit bonds with which to redeem every dollar of their outstanding circulation. The total due to depositors by these banks when they failed amounted to \$94,634,062, and of this the receivers appointed by the Government collected \$69,686,616, and have already paid over net to these same depositors the sum of \$60,314,185. One hundred and forty-nine are still in liquidation, so that the present total uncollected of \$34,319,877 will be cut down probably one-half—say half a million per year.

the tax on circulation if left as now would be twice as much as would be required to absolutely guarantee every depositor from loss. If the tax were reduced one-half it would still be ample for

With such a guaranty every person who deposited any sum whatever in any national bank would know that besides the solwhatever in any national bank would know that besides the solvency of the bank they had the full credit and pledge of the United States that their money would be repaid to them when demanded. Then with national banks in small towns, as would be possible with the capital requirement reduced to \$25,000, there would be within the reach of all the people banks in which they could safely deposit their savings and not only receive reasonable interest thereon but keep it in circulation for the benefit of the balance of the people.

APPENDIX A.

TREE TRADE OR PROTECTION?-BLAINE'S REPLY TO GLADSTONE.

record stave off go the expenses of a Democratic mappropriated by special permission from the North American Review, copymapper of the distance of the distanc

iles in the far north. Its southernmost point is nearly 30 degrees of latitude above the tropics. Its northernmost point is but 9 degrees below the Arctic Circle. Within its area the exchange of natural products in necessarily limited. Its life depends upon its commercial with other countries. Its property rests upon its commerce with the world. On the other hand, a single state of the Union is nearly three times as large as Great Britain, and its other States are each quite equal to it in area. The whole Union is well-night forty times as large. Alasks accepted, the northernmost point of the Union is but 60 miles south of the southernmost part of Great Britain, and the southernmost point of the Union is but 60 miles south of the southernmost part of Great Britain, and the southernmost point of the Union is but ititle more than 100 miles from the tropics. Its natural products are more varied, more numerous, and of more valuable character than those of all Europe. To quote one of Mr. Gladstone's phrases, we constitute "not so much a country in ourselves as a world." He tells us that we carry on "the business of domestic exchanges on a scale such as manifold has never seen." Our foreign commerce, very large in itself, is only as a policy which is essential to an island in the northern ocean should be adopted as the policy of a country which, even to his own vision, is "a world within With these fundamental points of difference between the two countries."

we constitute "mote so much a country in ourselven as a word." He stells und that we carry om "the business of domestic exchanges on a scale such as maninal has never seen." Our foreign commerce, very large in itself, is only as it 25 compared to our internal trade. And yet Mr. Gladstone thinks that as the policy of a country which, even to its own vision, is "a world within as the policy of a country which, even to its own vision, is "a world within seed!."

With these fundamental points of difference between the two countries I assume that varied financial and industrial systems, wrought by the expension of the countries of the countries. It is not the countries, her industrial system would within Clindstone commits. It might be difficult to prove that free trade is not the wisest financial policy for Great products of other nations. Moreover, she does not feel bound to pay has do to the rate of wages which her labor may receive. That, like the fabrica which her labor creates, must take its chance in the market of the world. It was the competition of Continental nations. She was therefore, aggressively, even cruelly, protective. But muniformed for herself and for her natwork of colonies reaching around the globe. Into these colonies no other nation could enter accional port. What the colonies needed outside of British products of the promise of the competition of Continental nations. She was therefore, aggressively, even cruelly, protective. But manifest to the mote of the surface of the national port. What the colonies needed outside of British products of the promise of the colonies and the received of colonies reached outside of British products of the promise of the products of the colonies of the received of the received of the colonies of the received o

The withdrawal or termination of these influences by a treaty of peace in Europe and by the surcease of gold from California placed the tariff of 1846 where a real test of its merits or its demerits on the made. It was everywhere a real test of its merits or its demerits on the made it was everywhere a real test of its merits or its demerits on the made it was everywhere a real test of 1846 where a real test of 1846 where a real test of 1846 test of 1846 where the control of the country as firmly and its tariff upon the season and the meaning year by a widespread financial panic, which involved the ruin of thousands, including proportionately as many is the South as in the Morfia, thousands, including proportionately as many is the South as in the Morfia, the country are described in President Buchanan's well-remembered message, communicated to Congress after the panic: "With unsurpassed plenty in all the elements of national wealth, our manufacturers have suspended, our the elements of the country are described in which can be a real to the country are all the other of the country are all the more forcible from the fact that Mr. Buchanan, as a member of President Folk's Cabinet, had consented to the abandommon to protection, and reduced to want." This testimony as to the result of a free-trade tariff is all the more forcible from the fact that Mr. Buchanan, as a member of President Folk's Cabinet, had consented to the abandommon to protection, and the second of the second of

the original impulse both to disunion and free trade. Each in turn strengthened the other in the South, and both perished together in the war of the rebellion.

For a time satisfaction was felt with the tariff adjustment of 1838, because it was regarded as at last a temporary reconciliation between two sections of the Union. Before the sliding scale was ruinously advanced there was great stimulus to mannfacturing and to trade which finally assumed the form of dangerous speculation. The years of 1834, 1835, and 1836 were distinguished for all manner of business hazard, and before the fourth year opened the 30 per cent. reduction (three years of 10 per cent. each) on the scale of duties was beginning to influence trade unfavorably. The apprehension of ovil som became general, public confidence was shaken, the panic of 1837 ensued, and business reversals were rapid, general, and devastating.

The trouble increased through 1835, 1838, and 1840, and the party in power, held responsible for the financial disasters, fell under popular condemnation. Mr. Van Buren was defeated, and the elder General Harrison was elevated to the Presidency by an exceptionally large majority of the electoral votes. There was no relief to the people until the protective tariff of 1842 was reacted, and then the beneficent experience of 1834 was repeated on even a more extensive scale. Prosperity, wide and general, was at once restored. But the reinstatement of the Democratic party to power two years later by the election of Mr. Polk to the Presidency, followed by a perverse violation of public pledges on the part of men in important places of administration, led to the repeal of the protective act and the substitution of the tariff of 1845, to which I have already adverted, and whose effects upon the country of the which I have already adverted, and whose effects upon the country and stability to the Government in the approaching war with Great Britain, to 1851, when a protective tariff was enacted to give strength and stability to the Gove

^{*}The phrase "free-trade tariff" involves a contradiction of terms. sed to designate that form of duty which is levied with no intentio rotect domestic manufactures.

classes dependent for subsistence upon their own labor. Thrice were these burdens removed by the enactment of a protective tariff. Thrice the protective tariff promptly lad to industrial activity, to financia case, to prosent the protective tariff promptly lad to industrial activity, to financia case, to prosent and the protective tariff promptly and to industrial case in the protection and the protection of the protection of the protection and the protection and the protection of the protection of the protection and protection and the protection of the protection of the protection in the United States. If the industrial is the half contrary's experience, with list three trials of both systems, did not establish the viscom of protection in the United States. If the industrial contrary and the protection in the United States. If the industrial contrary and the protection in the United States. If the industrial contrary and the protection in the United States. If the industrial contrary and the protection in the United States. If the industrial contrary and the protection in the broad of the contrary and protection in the United States. If the industrial contrary and the protection is the protection of the protection in the United States. If the industrial contrary and the protection is the protection of th

Mr. Gladstone admits the wonderful increase of wealth acquired under a protective tariff, but he avers that the results would have been larger under free trade. That, of course, is a speculative opinion, and is entitled to respect according to the knowledge and experience of the man who utters it.

Every statement of Mr. Gladstone carries weight, but in this case his opinion

runs directly counter to the fifty years of financial experience through which this country has passed with alternate trials of the two systems. Moreover, it is fair to say that Mr. Gladatone does not in his utternate represent European judgment. He speaks only for the free-trade party of Great Britain and the Continent of Europe holds opinion on this countries of Great Britain on the Continent of Europe holds opinion on this coulcit directly the same of those held by the most eminent statesman of Great Britain. We feel not be a supported in America that so far as the question of protection may be affected, either favorably or adversely, by the weight of individual judgment, we may support the supported in America that so far as the question of protection may be affected, either favorably or adversely, by the weight of individual judgment, we may support the supported to the case of open record in both countries. A brief rehearsal of these facts, with the pertinent comparison which they suggest, will give the best answer to Mr. Gladatone as assumption with the suggest, will give the best answer to Mr. Gladatone as assumption with the protection of the United States was, in round numbers, 3,000.00. The vessel anthority in England:

In 1800 the population of the United States was, in round numbers, 3,000.00. The vessel of the case of the United States with the time that of the best support of the Case of the case

*In 1870 only 30,000 tons of steel rail were manufactured in the United States. But the product under the increased duty of that year rapidly increased. The relative number of tons produced in England and the United States for a period of twelve years is shown as follows:

For the same period, 1877-1838, inclusive, the following table will show the number of tons of steel ingots produced in the two countries respectively:

Year.	England.	United States.	Year.	England.	United States.	
1877	508, 400 622, 390 530, 231 732, 910 1, 023, 740 1, 235, 785 1, 007, 174 784, 968 706, 583 706, 583 1, 021, 847 979, 083	885, 885 491, 427 610, 682 852, 192 8, 187, 770 1, 284, 067 1, 148, 700 996, 963 950, 471 1, 574, 703 8, 101, 904 1, 386, 277	1877	730, 006 807, 527 834, 511 1, 044, 382 1, 441, 719 1, 673, 649 1, 553, 380 1, 299, 676 1, 304, 127 1, 570, 530 2, 089, 403 2, 082, 704	500, 534 638, 778 829, 430 1, 074, 200 1, 374, 24, 1, 514, 687 1, 477, 345 1, 375, 530 1, 519, 450 2, 200, 190 2, 968, 632 2, 511, 161	
Total in 12 years	9, 968, 454	12,980,054	Total in 12 years	16, 401, 688	18,005,000	

Under the protective duty of 1870 the United States soon manufactured annually a much larger quantity of steel than Great Britain, and reduced the price from \$100 per ton in gold to less than \$35 per ton in gold.

2. English steel for locomotive tires imported in 1865, duty paid, was 34 cents per pound in gold. The American competition, under a heavy protective duty, had by 1872 reduced the price to 13 cents per pound, duty paid. At the present time (1869) American steel for locomotive tires, of as good quality as the English steel formerly imported, is furnished at 44 cents per pound and delivered free of cost at the point where the locomotives are manufactured. The lowering of price was not a voluntary act on the part of the English manufacturer. It was the direct result of American competition under a protective duty—a competition that could not have been successfully inaugurated under free trade.

3. In the year 1860, the last under a free-trade policy, the population of 31,000,000 in the United States bought carpets to the amount of \$12,000,000. Nearly half of the total amount was imported. In 1888, with a population estimated at 63,000,000, the aggregate amount paid for carpets was nearly \$90,000,000, and of this large sum less than one million was paid for foreign carpets and about half a million for oriental rugs. Does any free trader in England believe that the United States, without a protective tariff, could have attained such control of its own carpet manufacture and trade? It will not be unnoticed in this connection that under a protective tariff nound that carpets than under free trade. Nor must it escape observation that carpets are now furnished to the American buyer under a protective tariff much cheaper than when a nonprotective tariff allowed Europe to send so large a proportion of the total amount used in the United States.

These illustrations might be indefinitely multiplied. In woolens, in cottons, in leather fabrics, in glass, in products of lead, of brass, of copper; indeed, in the whole round of manufactures it will be found that protection has brought down the price from the rate charged by the importers before protection had built up the competing manufacture in America. For many articles we p

have much more wherewith to pay than they had or could have under free trade.*

Mr. Gladstone boldly contends that "keeping capital at home by protection is dear production, and is a delusion from top to bottom." I take direct issue with him on that proposition. Between 1870 and the present time considerably more than 100,000 miles of railroad have been built in the United States. The steel rail and other metal connected therewith involved so vast a sum of money that it could not have been raised to send out of the country in gold coin. The total cost could not have been less than \$500,000,000. We had a large interest to pay abroad on the public debt, and for nine years after 1870 gold was at a premium in the United States. During those years nearly 40,000 miles of railway were constructed, and to import English rail and pay for it with gold bought at a large premium would have been impossible. A very large proportion of the railway enterprises would of necessity have been abandoned if the export of gold to pay the rails had been the condition precedent to their construction. But the manufacture of steel rails at home gave an immense stimulus to business. Tens of thousands of men were paid good wages, and great investments and great enrichments followed the

gave an immense stimulus to business. Tens of thousands of men were paid good wages, and great investments and great enrichments followed the line

*In spite of these facts President Cleveland made the following statements, which I quote from his free-trade message to Congress in December, 1887;

"Our present tariff laws, as their primary and plain effect, raise the price to consumers of all articles imported and subject to duty by precisely the sum paid by those who purchase for use these imported articles. Many of these things, however, are raised or manufactured in our own country, and the duties now levied upon foreign goods and products are called protection to these home manufactures, because they render it possible for those of our people who are manufactures to make these taxed articles and sell them for a price equal to that demanded for the imported goods that have paid customs duty. Soit happens that, while comparatively a few use the imported articles, millions of our people who never use and never saw any of the foreign product, purchase and use things of the same kind made in this country, and pay therefor nearly or quite the same enhanced price which the duty adds to the imported articles."

I recall this quotation primarily for two reasons: First, Mr. Cleveland stands without a rival at the head of the free-trade party in the United States, and it is instructive to see how exactly he adopts the line of argument used by the English free trader. Second. It is a valuable admission from the head of the free-trade party when he affirms that "comparatively a few of our people use imported articles," and that there are "millions of our people when heaver saw any of the foreign products." In what words could the complete suce we of the protective policy in the United States be more fifty expressed?

But when Mr. Cleveland asset ted that our people pay for our domestic fabrics "nearly or quite the same enhanced price which the duty adds to the imported articles," he evidently spoke without investigating

in fact, cheaper. They undersell the English article in Canada and successfully compete with Canada's goods, which are protected by a duty of 20 per cent.

Patent leather is subject to a duty of 20 per cent; but patent leather is not, therefore, 20 per cent higher in the United States than elsewhere. On the contrary, it is cheaper. Five years ago the city government of London advertised for bids for a large amount of patent leather to be used in connection with the uniforms of the police. There were bids from several conrection with the uniforms of the police. There were bids from several conrection with the uniforms of the police. There were bids from several conrection reals are selling in London for £7 per ton. The duty is \$15 per ton. The price, therefore, in the United States ought to be, according to Mr. Cleveland's doctrine, \$50 per ton. But in fact the price is but \$55 per ton, and during the last summer and autumn was as low as \$25 per ton, and large sales were made at \$50 per ton.

Boots and shoes are subject to 30 per cent duty. According to Mr. Cleveland they should be 30 per cent higher than the foreign article. As a matter of fact, they are cheaper. American boots and shoes hold the Canadian market against the European manufacture.

Examples of this kind could be shown on almost the whole tariff list where an American manufacture is firmly established. In fact, the whole history of protection has vindicated what Alexander Hamilton said of it when he was at the head of the Treasury: "The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience."

Mr. Hamilton thus effectually answers both Mr. Gladstone and Mr. Cleveland.

of the new road and opened to the American people large fields for enterprise not theretofore accessible.

I might sake W. Gladatone what he would have done with the labor of the
clicable to buy the rall in England. Fortunately he has given his aniswer in
advance of the question, for he tells us that "in America we produce more
at low prices." The grain grovers of the West and the cotton grovers of
at low prices." The grain grovers of the West and the cotton grovers of
the South will beaver that Mr. Gladatone holds out to them a cheerful proc
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and in degree, with the advance in the United States, and the advance in both cases was directly due to the firm establishment of pertection in this countries of the countries

goods. Transportation from England to Quebec or Montreal is cheaper than from the manufacturing centers of the United States to the same points. The difference is not great, but it is in favor of the English shipper across the seas, and not the American shipper by railway. It is for the free trader to explain why, if the cost of transportation be made the same, the United States can not compete with England in every country in South America in all the articles of which we sell a larger amount in Canada than England does. I append a note maning the American articles sold in Canada, and the free trader, if candid, will admit that the list is one that is constantly and rapidly increasing.

Gindstone feels sure that, though the protected manufacturers in the United States may flourish and prosper, they do so at the expense of the farmer, who is in every conceivable form, according to the free-trade dictum, the helpless victim of protection. Both Mr. Gladstone and the American free trader have, then, the duty of explaining why the agricultural States of the west have grown in wealth during the larg period of protection at a more rapid rate than the manufacturing States of the East. The statement of the free trader can be conclusively answered by referring to the census of the United States for the year 180 and also for the year 180.

In 1800 eight manufacturing States of the East (the six of New England, together with New York and Fennsylvania) returned an aggregate wealth of \$16,228,000,000. The rate of increase for the twenty years was slightly more than 216 per cent.

Let us see how the agricultural States fared during this period. By the census of 1860, 8 agricultural States for the twenty years was slightly more than 216 per cent.

Let us see how the agricultural States fared during this period. By the census of 1860, 8 agricultural States for the twenty ears was 80 per cent. Consider that during this period II the while in full force), these same States returned an aggregate return of wealth by the census of t

west and South, have prospered even beyond the manufacturing sections. East and North? And all this not merely with protection, but because of protection!

As Mr. Gladstone considers protection immoral, he defines its specific of free-trade vituperation, Mr. Gladstone should have denounced our manufacturers as "robbery." To have been fully equal to the American standard of free-trade vituperation, Mr. Gladstone should have denounced our manufacturers as "robber barons." This is the current phrase with a class who are perhaps more noisy than numerous. The intention of the phrase is to create popular prejudice against American manufacturers as growing rich at the expense of the people. This accusation is so persistently repeated that its authors evidently regard it as important to their cause. It may perhaps surprise Mr. Gladstone to be told that out of the fifty largest fortunes in the United States—those that have arrested public attention within the the last ten years—certainly not more than one has been derived from protected manufacturing; and this was amassed by a gentleman of the same Scotch blood with Mr. Gladstone himself. The forty-nine other fortunes were acquired from railway and telegraph investments, from real-estate investments, from the import and sale of foreign goods, from banking, from speculations in the stock market, from fortunate mining investments, from speculations in the stock market, from fortunate mining investments, from speculations in the stock market, from fortunate mining investments, from patented inventions, and more than one from proprietary medicines.

It is safe to go even further and state that in the one hundred largest fortunes that have been viewed as such in the past ten years not five have been derived from the profits of protected manufactures. Their origin will be found in the fields of investment aiready referred to. Moreover, the fear of the evil effect of large fortunes be exaggerated. Fortunes rapidly change, with us wealth seldom lasts beyond two generations. The

existence. In no event can the growth of large fortunes be laid to the charge of the protective policy. Protection has proved a distributor of great sums of money; not an agency for amassing it in the hands of a few. The records our saving banks and building associations can be appealed to in support of this statement. The benefit of protection goes first and last to the men who carn their bread in the sweat of their faces. The amplicious and momentous result is that never before in the history of the world has comfort been enjoyed, education acquired, and independence secured by so large a proportion of the total population as in the United States of America.

APPENDIX B.

THE REPUBLICAN PLATFORM.

[Text of the declaration of principles as adopted by the St. Louis convention.]

The Republicans of the United States, assembled by their representatives in national convention, appealing for the popular and historical justification of their claims to the matchless achievements of the thirty years of Repub-

*The following articles of American manufacture are sold in Canada more largely than like articles of English manufacture:

Brass goods, copper goods, cordage, ginghams, bottles, flasks, india-rubber goods, printing ink, ingrain carpets, wood manufactures, twines, tinware, ship rigging, wall paper, writing paper, envelopes, blank books, strawboard paper, boots and ahoes, leather and skins, sole leather, leather goods, patent leather, figured oilcloths, grain drills, harrows, harvesters, hoes, forks, mowing machines, scythes, spades, shovels, builders' and cabinetmakers' hardware, halls, firearms, swing machines, screws, stoves, axes, jewelry (sterling and plated), silverware, lamps, locomotives, hatchets, hammers, saws, mechanics' tools, organs, planos, "notions," plain boose furniture, especially hotel furniture.

lican rule, earnestly and confidently address themselves to the awakened intelligence, experience, and conscience of their countrymen in the following declaration of facts and principles:

For the first time since the civil war the American people have witnessed the calamitous consequences of full and unrestricted Democratic control of the Government. It has been a record of unparalleled incapacity, dishonor, and disaster. In administrative management it has ruthlessly sacrificed indispensable revenue, entailed an uncessing deficit, eked out ordinary current expenses with borrowed money, piled up the public debt by \$50.000.000 in time of peace, forced an adverse belance of trade, kept a perpetual memora delarging over the redemption fund, pawned American credit to alien syndicates, and reversed all the measures and results of successful Republican rule.

In the broad effect of its policy it has resoluted.

syndicates, and reversed all the measures and results of successful Republican rule.

In the broad effect of its policy it has precipitated panic, blighted industry and trade with prolonged depression, closed factories, reduced work and vages, alted enterprise, and crippled American production, while stimulating foreign production for the American market. Every consideration of public safety and individual interest demands that the Government shall be reasoned from the hands of those who have shown themselves incapable to conduct it without disaster at home and dishonor abroad, and shall be restored to the party which for thirty years administered it with unequaled success and prosperity, and in this connection we heartily indorse the wisdom, patriotism, and the success of the Administration of President Harrison.

TABLES.

We renew and emphasize our allegiance to the policy of protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and price; it diffuses general thrift, and founds the strength of each. In its reasonable application it is just, fair, and impartial; equally opposed to foreign control and domestic monopoly, to sectional discrimination and individual favoritism. We denounce the present Democratic tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable tariff on foreign imports which come into competition with American products as will not only furnish adequate revenue for the necessary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question, to be governed by the conditions of the time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

BERGERROGERY

We believe the repeal of the reciprocity arrangements negotiated by the last Republican Administration was a untional calamity, and we demand their renewal and extension on such terms as will equalise our trade with other nations, remove the restrictions which now obstruct the sale of American products in the ports of other countries, and secure onlarged markets for the products of our farms, forests, and factories.

Protection and reciprocity are twin measures of Republican policy and go hand in hand. Democratic rule has recklessly struck down both, and both must be recstablished. Protection for what we produce; free admission for the necessaries of life which we do not produce; reciprocity agreements of mutual interests which gain open markets for us in return for our open markets to others. Protection builds up domestic industry and trade, and secures our own market for curselves; reciprocity builds up foreign trade and finds an outlet for our surplus.

We condemn the present Administration for not keeping faith with the sugar producers of this country. The Republican party favors such protection as will lead to the production on American soil of all the sugar which the American people use, and for which they pay other countries more than \$100,000,000 annually.

WOOL AND WOOLENE.

To all our products—to those of the mine and the fields as well as to those of the shop and the factory—to hemp, to wool, the product of the great industry of sheep husbandry, as well as to the finished woolans of the mill—we promise the most ample protection.

We favor restoring the American policy of discriminating duties for the upbuilding of our merchant marine and the protection of our shipping in the foreign carrying trade, so that American ships—the product of American labor, employed in American shipyards, sailing under the Stars and Stripes, and manned, officered, and owned by Americans—may regain the carrying of our foreign commerce.

FINANCE.

The Republican party is unreservedly for sound money. It caused the enactment of the law providing for the resumption of specie payments in 1879; since then every dollar has been as good as gold.

We are unalterably opposed to every measure calculated to debase our currency or impair the credit of our country. We are, therefore, opposed to the free coinage of silver except by international agreement with the leading commercial nations of the world, which we pledge ourselves to promote, and until such agreement can be obtained the existing gold standard must be preserved. All our silver and paper currency must be maintained at parity with gold, and we favor all measures designed to maintain inviolably the obligations of the United States and all our money, whether coin or paper, at the present standard, the standard of the most enlightened nations of the earth.

The veterans of the Union Army deserve and should receive fair treatment and generous recognition. Whenever practicable they should be given the preference in the matter of employment, and they are entitled to the enaction of such laws as are best calculated to secure the fulfillment of the pledges made to them in the dark days of the country's peril. We denounce the practice in the Pension Bureau, so recklessly and unjustly carried on by the present Administration, of reducing pensions and arbitrarily dropping names from the rolls as deserving the severest condemnation of the American monte.

Our foreign policy should be at all times firm, vigorous, and dignified, and all our interests in the Western Hemisphere carefully watched and guarded.

The Hawaiian Islands should be controlled by the United States, and no foreign power should be permitted to interfere with them; the Nicaraguan Canal should be built, owned, and operated by the United States; and by the purchase of the Danish Islands we should secure a proper and much-needed naval station in the West Indies.

ARMENTAN MASSACRES.

The massacres in Armenia have aroused the deep sympathy and just indignation of the American people, and we believe that the United States should exercise all the influence it can properly exert to bring these atroctites to an end. In Turkey American residents have been exposed to the gravest dangers and American property destroyed. There and everywhere American citizens and American property must be absolutely protected at all hazards and at any cost.

MONROE DOCTRINE.

We reassert the Monroe doctrine in its full extent, and we reaffirm the right of the United States to give the doctrine effect by responding to the appeal of any American State for friendly intervention in case of European encroachment. We have not interfered and shall not interfere with the existing possessions of any European power in this hemisphere, but these possessions must not, on any pretext, be extended. We hopefully look forward to the eventual withdrawal of the European powers from this hemisphere, and to the ultimate union of all English-speaking parts of the continent by the free consent of its inhabitants.

CUBA.

From the hour of achieving their own independence the people of the United States have regarded with sympathy the struggles of other American peoples to free themselves from European domination. We watch with deep and abiding interest the heroic battle of the Cuban patriots against cruelty and oppression, and our best hopes go out for the full success of their determined contest for liberty.

The Government of Spain, having lost control of Cuba, and being unable to protect the property or lives of resident American citizens, or to comply with its treaty obligations, we believe that the Government of the United States should actively use its influence and good offices to restore peace and give independence to the island.

THE NAVY.

The peace and security of the Republic and the maintenance of its rightful influence among the nations of the earth demand a naval power commensurate with its position and responsibility. We therefore favor the continued enlargement of the Navy and a complete system of harbor and seacoast defenses.

PORRIGN IMMIGRATION.

For the protection of the quality of our American citizenship and of the wages of our workingmen against the fatal competition of low-priced labor, we demand that the immigration laws be thoroughly enforced, and so extended as to exclude from entrance to the United States those who can neither read nor write.

CIVIL SERVICE.

The civil-service law was placed on the statute book by the Republican party, which has always sustained it, and we renew our repeated declarations that it shall be thoroughly and honestly enforced and extended wherever practicable.

FREE BALLOT.

We demand that every citizen of the United States shall be allowed to cast one free and unrestricted ballot, and that such ballot shall be counted and returned as cast.

LYNCHINGS.

We proclaim our unqualified condemnation of the uncivilized and barba-rous practice well known as lynching or killing of human beings suspected or charged with crime, without process of law.

NATIONAL ARBITRATION.

We favor the creation of a national board of arbitration to settle and adjust differences which may arise between employers and employees engaged in interstate commerce.

HOMESTEADS.

We believe in an immediate return to the free-homestead policy of the Re-publican party, and urge the passage by Congress of a satisfactory free-home-stead measure, such as has already passed the House, and is now pending in

TERRITORIES.

We favor the admission of the remaining Territories as the earliest practicable date, having due regard to the interests of the people of the Territories and of the United States. All the Federal officers appointed for the Territories should be selected from bona fide-residents thereof, and the right of self-government should be accorded as far as practicable.

ATASKA.

We believe the citizens of Alaska should have representation in the Con-ress of the United States, to the end that needful legislation may be intelli-ently snacted.

We sympathize with all wise and legitimate efforts to lessen and prevent the evils of intemperance and promote morality.

RIGHTS OF WOMEN.

The Republican party is mindful of the rights and interests of women. Protection of American industries includes equal opportunities, equal pay for equal work, and protection to the home. We favor the admission of women to wider spheres of usefulness, and welcome their cooperation in rescuing the country from Democratic and Populist mismanagement and mis-

rule.

Such are the principles and policies of the Republican party. By these principles we will abide and these policies we will put into execution. We ask for them the considerate judgment of the American people. Confident alike in the history of our great party and in the justice of our cause, we present our platform and our candidates in the full assurance that the election will bring victory to the Republican party and prosperity to the people of the United States.

APPENDIX C.

CHAIRMAN THURSTON'S ADDRESS.

GENTLEMEN OF THE CONVENTION: The happy memory of your kindness and confidence will abide in my grateful heart forever. My sole ambition is to meet your expectations, and I pledge myself to exercise the important powers

of this high office with absolute justice and impartiality. I bespeak your cordial cooperation and support to the end that our proceedings may be orderly and dignified, as before this have been the deliberations of the supreme council of the Republican party.

Eight years ago I had the distinguished honor to preside over the convention which nominated the last Republican President of the United States. To-day I have the distinguished honor to preside over the convention which is to nominate the next President of the United States. This generation has had its object lesson and the doom of the Democratic party is already announced. The American people will return to the Republican party, because they know that its administration will mean—

The supremesy of the Constitution of the United States.

The maintenance of the law and order.

The protection of every American citizen in his right to live, labor, and to worde.

The protection of every American catalon in his right to live, labor, and to vote.

A vigorous foreign policy.

The enforcement of the Monroe doctrine.

The restoration of our merchant marine.

Safety under the Stars and Stripes on every sea, in every port.

A revenue adequate for all governmental expenditures and the gradual extinguishment of the national debt.

MEANS A SOUND CURRENCY.

MEANS A SOUND CURRENCY.

A currency as sound as Government and as untarnished as its honor, whose dollars, whether of gold, paper, or silver, shall have equal purchasing and debt-paying power with the best dollars of the civilized world.

A protective tariff which protects, coupled with reciprocates, thereby securing the best markets for American products and opening of American netories to the free coinage of American muscle.

A pension policy just and generous to our living heroes and to the widows and orphans of their dead comrades.

The governmental supervision and control of transportation lines and rates. The protection of aggregated capital and corporated power.

An American welcome to every god-fearing, liberty-loving, Constitution respecting, lawabiding, labor-seeking, decent man.

The exclusion of all whose birth, whose blood, whose condition, whose practices would menace the permanency of free institutions, endanger the safety of American society, or lessen the opportunities of American labor.

The abolition of sectionalism—overy star in the American flag shining for the honor and welfare and happiness of every Commonwealth and all the people. A deathless loyalty to all that is true and American and a patriotism eternal as the stars.

Protection and Bimetallism the Watchwords of Prosperity.

That which has engaged the attention without harmonizing the convictions of such master minds as Aristotle, Plato, Brahe, Copernicus, Locke, Newton, Smith, Bastiat, and Mill is surely a study which none can afford to broach with rashness nor to leave with complacency. When the principles which underlie it are thoroughly understood, money is perhaps the mightiest engine to which man can lend an intelligent guidance. Unheard, unfelt, unseen, it has the power to so distribute the burdens, gratifications, and opportunities of life that each individual shall enjoy that share of them to which his merits or good fortune may fairly entitle him, or, contrariwise, to dispense them with so partial a hand as to violate every principle of justice and perpetuate a succession of social slaveries to the end of time.—Alexander Det Mar.

SPEECH

OF

HON. SAMUEL C. HYDE. OF WASHINGTON,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 6, 1896.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 2004) to maintain and protect the coin redemption fund, and to authorise the issue of certificates of indebtedness to meet temporary deficiencies of the revenue—

Mr. HYDE said:

Mr. CHAIRMAN: The natural embarrassment with which I first Mr. Chairman: The natural embarrassment with which I first rise to speak in the House of Representatives is much heightened by the momentous importance of the questions involved in the Senate amendment, questions which are now receiving the earnest attention of the first statesmen and financiers of the world, and upon which so many members of long service upon this floor have spoken with profound learning and great eloquence; but I should feel that I had failed in my duty to the people of that young and progressive State which I have the honor in part to represent were I to remain allent. sent were I to remain silent.

GOLD AND SILVER UNDER THE CONSTITUTION

Recognizing the power to coin and regulate the value of money as one of the principal incidents of national sovereignty, the founders of our Government placed in that great organic law, the Constitution of the United States, the following provisions:

The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures. (Article I, section 8, paragraph 8.)

No State shall * * * coin money, emit bills of credit, make anything but gold and silver coin a tender in payment of debts. (Article I, section 10, paragraph 1.)

From these plain provisions it will be seen that gold and silver were made equally the money metals of the American people.

The prohibition placed upon the States against making anything except gold and silver coins legal tender puts the two metals upon an equality, and shows clearly that they are to be regarded as the standard money of the Constitution.

Alexander Hamilton, whose genius as a creative statesman, in my opinion, was the greatest America has produced, as was Abraham Lincoln the greatest statesman in executive ability—the great emancipator, the preserver of this nation—the then Secretary of the Treasury, in his report to Congress upon the establishment of a mint in 1791, declared that—

To annul the use of either gold or silver as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full circulation with the evils of a conty circulation.

On the whole—

Says Mr. Hamilton-

it seems most advisable not to attach the unit exclusively to either of the metals, because this can not be done effectually without destroying the office and character of one of them as money and reducing it to the situation of

Thomas Jefferson, in his letter to Hamilton of February, 1792,

I will return you the report on the mint, which I have read over with a reat deal of satisfaction, and concur with you in thinking that the unit nust stand on both metals.

Mr. Chairman, I dislike to weary the House with quotations, but I believe there is no better method in the search for truth than to recur often to foundations and first principles. I will therefore send to the Clerk's desk and ask to have read the statutes of the United States enacted April 2, 1792, under the Constitution, pursuant to the recommendations of these great statesmen, establishing a mint and regulating coinage in the United States.

The Clerk read as follows:

SEC. 9. There shall be from time to time struck and coined at the said mint coins of gold, silver, and copper of the following denominations, values, and descriptions, namely: Eagles, each to be of the value of ten dollars or units, and to contain two hundred and forty-seven grains and four-sighths of a grain of pure or two hundred and seventy grains of standard gold. * * Dollars or units, each to be of the value of the Spanish milled dollar as the same is now current, and to contain three hundred and seventy-one grains and four-sixteenths part of a grain of pure or four hundred and sixteen grains of standard silver. * * SEC. 11. That the proportional value of gold to silver in all coins which shall, by law, be current as money in the United States shall be as 16 to 1, according to the quantity and weight of pure gold or pure silver; that is to say, every 15 pounds weight of pure gold, and so in proportion to any greater or less quantities of the respective metals.

SEC. 14. That it shall be lawful for any person or persons to bring to the said mint gold and silver builton in order to their being coined; and that the builton so brought shall be there assayed and coined as speedily as may be after the receipt thereof, and that free of expense to the person or persons by whom the same shall have been brought. * * SEC. 16. That til the gold and silver coins which have been struck at and issued from the said mint shall be lawful tendor in all payments whatsoever. * *

Mr. HYDE. These statutes were approved and signed by the immortal George Washington.

Here is a cystem of true bimetallism, the free and unlimited coinage of both gold and silver with full legal-tender power to coins of both metals. This system was continued for the first eighty-one years of the life of this Republic, until 1878. Gold and silver were freely coined and nothing was heard of "unsound money."

money."

WITH THE ANCIENTS.

Mr. Chairman, I would not have you infer that because I have so specifically pointed out the foundations of our bimetallic system that I would overlook the great fact that gold and silver have been the money metals of the world before these enactments—ever since civilization began—and, since the introduction of paper money, have been the only safe basis for that currency.

And Abraham hearkened unto Ephron; and Abraham weighed to Ephron as silver, which he had named in the audience of the sons of Heth, 400 shekels silver, current money with the merchant.—Genesis, xxiii, 16.

This was nearly forty centuries ago, and yet the terms used show that silver was then money current in trade.

And Job says:

Yea, the Almighty shall be thy defense, and thou shalt have plenty of silver. To speak of the mining of the precious metals, gold and silver, in Asia and Europe, and in all nations since the beginning of the world, is but to remind us of the teachings of history. None have summed up this subject with more eloquence than the late James G. Blaine in a speech in Congress. Referring to the purchase of a burial place by Abraham with silver, he said:

This was well-nigh forty centuries ago. Since that time nations have risen and fallen, ruces have disappeared, dialects and languages have been forgotten, arts have been lost, treasures have perished, continents have been forcovered, islands have been sunk in the sea, and through all these changes silver and gold have reigned supreme as the representatives of value, as the media of exchange. The dethronement of each has been attempted in turn, and sometimes the dethronement of both, but always in vain.

[Applause.]
With some slight changes in ratio, all the gold and silver mined in the world, not required in the arts, was received into the mints

and coined as money until 1873. Gentlemen upon this floor have made much of the argument that no great quantity of silver was coined in the United States. There was in fact \$143,000,000 coined, \$84,000,000 of which was full legal tender. The reason why no more was coined was principally because silver at the ratio adopted, 15 to 1, was undervalued by us; it was at a premium over gold, and was sent abroad to be coined. It went into the great money supplies of the world, which, like all seas, find a common level in the great ocean of the world's money. It brought back to the United States its price in gold, or in the products of other countries, to increase the wealth of our people, and it helped to keep the balance of trade in our favor, the same as if it had been coined at home. at home.

DEMONSTIZATION.

No statesman ever thought of destroying one of these money metals. On one occasion Daniel Webster said:

I am certainly of opinion that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country, and that neither Congress nor any State has authority to establish any other standard, or to displace this standard.

Mr. Blaine, in the speech in Congress just referred to, touching upon this point, says:

I believe gold and silver coin to be the money of the Constitution—indeed, the money of the American people anterior to the Constitution; money which the organic law of the Republic recognized as independent of its own existence. No power was conferred on Congress to declare that either metal should not be money. Congress has, therefore, in my judgment, no more power to demonetize silver than to demonetize gold; no more power to demonetize either than to demonetize both.

In 1816 England demonetized silver. She was already pressing forward as the chief creditor nation of the world; her economists already taught the doctrine that an appreciating value of money made lower prices and therefore encouraged exports.

Somewhat later this policy and principle was explained by Lord

Overstone with his usual perspicuity to the secret committee of the House of Lords, as follows:

Monetary distress tends to produce fall of prices; that fall of prices encourages exports and diminishes imports; consequently it tends to promote an influx of bullion. I can quote a fact of rather a striking character which tends to show that a contracting operation upon the circulation tends to cheapen the cost of our manufactured productions and therefore to increase

Here, sir, is striking proof and admission that free trade and the single gold standard must go together. But the value of silver remained unimpaired. The commercial ratio between the two metals was comparatively steady until the aid of the law of other nations was invoked to destroy the value of silver.

After the close of the Franco-Prussian war Germany recovered

of the French people \$1,000,000,000 as her war indemnity. Looking across the Channel she saw England, now the chief financial power, with a single gold standard. Hoping to increase the value of her exactions from the French she demanded gold, and in 1873 enacted a law demonetizing silver and adopting the single gold standard.

standard.

The United States the same year passed an act demonetizing silver. Mr. Chairman, I shall not weary you with the "crime of 73," but there are a few salient points to which I would like to call the attention of the House. When the United States and Germany thus entered upon the abandonment of the coinage of silver it was not depreciated, but was at a premium of about 3 per cent over gold. The people of the United States were doing business upon the basis of the cheaper metal, and were not alarmed because the dearer metal went abroad. Being at a premium over gold, silver could not have been demonetized on account of overproduction nor because of a depreciation in the commercial value of silver bullion. commercial value of silver bullion.

The world's production for the preceding year was: Silver,

The world's production for the preceding year was: Silver, \$51,575,000; gold, \$106,850,000.

Again, sir, there was no demand on the part of the people of the United States for the demonetization of silver. Veiled under the title of a bill to make appropriations for the mints and to revise the coinage laws, it struck out the silver dollar without the knowledge of the American people generally, and unknown to our greatest statesmen, numbers of whom were at that time members of Congress.

Sir, what leading journals of this country contained editorial

Sir, what leading journals of this country contained editorial discussions of the grave changes made by that bill? Imagine the passage of a bill of such importance in that manner through Congress to-day. It is also true, Mr. Chairman, that there has never been a time since the act of 1873, after the attention of the people of this country was called to the question, when a bill demonetizing silver could have been forced through Congress.

DOES LAW AFFECT BULLION VALUES?

Mr. Chairman, there is one thing I will promise. I will not weary the House with those diagrams covered with zigzag lines, by which it is sought to show the variations between gold and silver, the rise and fall of prices, and so on. To me they appear to need a man to go along to explain their meaning. They distract me, and I think must weary and puzzle many members.

But I will ask gentlemen to give attention to a few figures from the table which I hold in my hand and will print in the RECORD. It is taken from the last (1895) report of the Director of the United States Mint, and shows the commercial ratio between gold and

silver bullion from 1687 to 1894.

A glance at these figures will show that but three times in a

A glance at these figures will show that but three times in a period of more than two hundred years has the value of silver bullion fallen below 16 of silver to 1 of gold.

But, sir, more significant still are the figures for 1874, the first year after the demonetization acts, the ratio being 16.17. Looking back over the figures, we find that the ratio had not gone below 16 to 1 since 1813, a period of sixty years. In 1873 the ratio was 15.92. Demonetization came, and the ratio has steadily declined until in 1894 it was 32.56.

Commercial ratio of silver to gold each year from 1687 to 1894, based upon the price of silver in the London market.

[From 1687 to 1832 the ratios are taken from Dr. A. Soetbeer; from 1883 to 1878 from Pixley and Abell's tables; and from 1879 to 1894 from daily cablegrams from London to the Bureau of the United States Mint.]

Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.	Year.	Ratio.
1667	14.94	1720	14.00	1771	14.66	1813	• 16.25	1855	15.88
1688	14.94	1730	14.81	1772	14.52	1814	15.04	1856	15, 38
1680	15,02	1731	14.94	1773	14.63	1815	15.28	1857	15, 27
1690	15.00	1783	15.00	1774	14.62	1816	15.28	1858	15.38
1691	14.98	1733	15.18	1775	14.72	1817	15, 11	1859	15, 19
1602	14.92	1734	15. 30	1776	14.55	1818	15, 35	1800	15, 29
1693	14.83	1735		1777	14.54	1819	15.33	1861	15, 50
1094		1736		1778	14.68	1890	15. 62	1883	15, 35
1695	15.02	1737		1779	14.80	1821		1863	15.37
1696		1738	14.91	1780	14.72	1822	15.80	1864	15.37
1697	15.20	1730	14.91	1781	14.78	1823	15.84	1865	15.44
1698	15.07	1740		1782	14.42	1824	15.82	1866	15, 43
1699	14.94	1741	14.93	1783	14.48	1825	15.70	1867	
1700	14.81	1742	9.4 0.00	1784	14.70	1826	15.76	1868	15.59
1701	15.07	1743	14.85	1785	14.92	1827	15.74	1809	15.00
1708	15,52	1744		1786	14.98	1828	15.78	1870	15.57
1708	15.17	1745		1787	14.93	1829	15, 78	1871	15.57
1704	15.22	1746	15.13	1788	14.65	1830	15.82	1871 1872 1873 1874	15.63
1705		1747	15.26	1789	14.75	1831	15.72	1873	* 15.00
1706		1748	15.11	1790	15.04	1832	15, 73	187A	* 10.17
1707	15.44	1749	14.80	1791	15.05	1833	15.93	1875	16.59
1708		1750	14.55	1792	15.17	1834	15, 73	1875 1876	0 17.88
1700		1751		1793	15,00	1835	15.80	1877	* 17.20
1710		1758	14.54	1794	15. 37	1836	15.72	1878	* 17.9
1711		1753	14.54	1795	15, 55	1837	15.83	1879	* 18, 40
1712		1754	14.48	1796		1838		1880	* 18.00
1713	15.24	1755		1797		1839	15.63	1881	e 18. 16
1714		1756	14.94	1798		1840		1882	* 18. 19
1715		1757	14.87	1799		1841		1883	* 18.6
1716	15.09			1800	15.68	1842	15.87	1884	· 18.57
1717		1758		1801		1843	15.93	1885	* 19.4
1718	15.11	1760	14.14	1802	15. 26	1844	15.85	1886	* 20. 7
1719	15.00			1803		1845	15. 92	1887	* 21. 13
		1761	15.27	1804		1846	15.90	1888	*21.9
1720	15.06					1040	10,90	1889	22.10
1723	15.17	1763	14.99	1805	15.52	1847	15.80	1890	* 19.70
1723		1701	14.70	1000	10.00			1004	10.70
1724	15.20	1765		1807	15.43	1849		1891	* 20, 9
S PROME	15.11	1706	14.80	1808	* 16.08	1850	15.70	1892	* 23.7
1720		1707	14.85	1809	15.96	1851	15.46	1893	* 26, 4
1726	15.15	1708		1810		1852		1894	* 32.5
1727	15.24	1709		1811	15.53	1853		1	
1728	15.11	1770	14.63	1812	* 16.11	1854	. 15.33	1	

And yet, Mr. Chairman, all around me there are gentlemen, on both sides of the House, who maintain that law can not create values, who insist that statutes can have no effect upon the value of either silver or gold. If value were a material thing this would be true, for "man can create nothing; he can only move something." And yet the same gentlemen say they are in favor of an international agreement for the establishment of bimetallism. But this international agreement, to have any force, must be supplemented and sustained by statute laws of the nations who enter into it. If law can not give value to the money metals, why hold an international convention?

A look at the figures of the last twenty-two years, shown in the A look at the figures of the last twenty-two years, shown in the table just referred to, must satisfy every impartial mind. Coinage creates demand; demand creates value. And it is not alone the fact that we coin the metals, but it is the right to be coined which gives it value. To gentlemen on the other side who argue that legislation can not give value to silver we ask, Why was it that the closing, without notice, of the Indian mint in 1893 caused a fall in the price of silver bullion of 15 cents an ounce in one

day? There was no decrease in the cost, no increase in the quantity of silver produced. The law was rescinded and its value fell.

Mr. Chairman, we who follow the legal profession fall so readily into the habit of citing authorities, and these facts are so pertinent and indisputable, that I can not forbear to read to you from great men whose opinions sustain the principle for which we contend

Our own Francis A. Walker, whose text-book upon Political Economy is a standard in three continents, in his work on Money has written:

The philosophy of money owes little to the cultivation of systematic political economy in modern times.

If this be true, we may safely turn to Aristotle, the master mind of the ancient world. In defining money he says:

Money has value only by the law, and not by nature, inasmuch as a change of agreement among those who use it can depreciate it completely and render it entirely unfit to satisfy any of our wants.

And Cernuschi, the greatest of bimetallists, has written:

Nature produces silver and gold, but does not produce money. It is the legislator who attributes to one of the metals, or the two conjointly, the monetary function. Numisma, money, comes from nomes, law.

Mr. Chairman, we are told that if the mints of the United States were opened to the coinage of gold and silver upon equal terms America would become a "dumping ground" for all the silver in the world. Gentlemen on the other side would have us believe that ships loaded with silver would race across the waters to reach the mints of the United States for coinage. But where is this silver to come from? Remember that all the coined silver in the world is doing duty as money at home, and is circulating at par with gold. In France, Italy, Spain, Belgium, Switzerland, and Russia it has been coined at a ratio of 15½ to 1; in Great Britain at 14.25 to 1; Germany, 13.95; Austria, 13.69. The English silver would lose 7 cents on every dollar's worth at home by conversion into the money of the United States. The Frenchman contemplating the exchange of his silver coin for our gold by converting his silver into our dollars and exchanging these dollars for our gold, must contemplate a minimum sacrifice of \$55 on every \$1,000 worth of his lawful money at home. Silver is the sole standard and full legal tender in all the oriental nations, and was coined at a ratio higher for silver than our ratio.

Mr. Chairman, one of the clearest statements of the condition the world. Gentlemen on the other side would have us believe

Mr. Chairman, one of the clearest statements of the condition and cost of the coined silver in the world which I have found is contained in a recent issue of the New York World, one of the leading journals of this country, which favors the single gold standard. I will send it to the Clerk's desk and ask that it be read. It will be remembered that the value of our coined silver

\$1.29 per ounce. The Clerk read as follows:

Has silver ever sold as high as \$1.20 an ounce since the passage of the Sher am silver bill?

That depends upon what you mean by the Sherman giver bill, for there were more than one, and what kind of silver you refer to. Silver vases and silver cups are sold as high as \$2.50 an ounce, and silver apoons and the ordinary silver tableware as low as \$0 cents an ounce. No silver builton has been sold as high as \$1.29 per ounce since the Sherman purchase act of 1890; but robody has been able to buy \$9.39 per cent of the silver in the market at less rate than \$1.39 to \$1.32 per ounce. There are in the world \$3.65,100,000 coined at and worth \$1.32 per ounce, \$605,500,000 coined at \$1.29 per ounce, and \$253,00,000 coined at about \$1.40 per ounce. This comprises all the silver in the world in raw material, outside of manufactures, except a few thousand ounces of bar silver, for which the market price is about \$0 cents. No silver in the world can be bought for or has a market value less than \$1.39 per cunce except these few thousand ounces which have been shut out of the main use for silver—money.

FIFTY-CENT DOLLARS.

Mr. HYDE. Mr. Chairman, we are told by gentlemen on the other side that upon the adoption of bimetallism we shall immediately go to a silver basis, that the value of all money in the United States will be cut in two, that gold will leave the country, and we shall have nothing but 50-cent dollars. Sir, no such thing as a silver basis, if by that is meant 50-cent dollars, is possible in this country. If every dollar in gold in the United States were swept out of existence to-day, and none to take its place, we would not be upon a silver basis, but upon the basis of all our money—legal-tender, paper money of all kinds, and silver. Our money could not go down to 50 cents on the dollar, and under the worst view of the subject it would be at a small discount only. The eminent financial writer, Matthew Marshall, in a recent issue of the New York Sun, has touched upon this subject intelligently. Both the writer and that great journal favor the single gold standard. He writes:

Writes:

Our currency other than gold, large as it is, is restricted within definite limits, and its value, as compared with gold would still be greater than that of silver bullion. * * * At this very moment we see how a limited quantity of coin, both here and in Europe, is kept at par with gold coin, and the sun pension of gold payments would send it to a discount governed only by the excess of its assimilar amount above that fixed by the demand for it as a medium of exchange. In Italy, for example, where gold payments have been suspended for several years, the discount is only about 7 per cent; in Austria it is not even 8 per cent, and in France, when the Bank of France refuses to pay out gold at par, it is seldom as much as 1 per cent. * * It is an error to imagine that as soon as it occurred gold would at once go to 65 per cent premium and our currency lose one-half of its purchasing power.

Sir, gold is at a premium at this hour; it is not helping to carry on the legitimate business of this country. Heavens! Can a monetary system be imagined which will send gold abroad faster than it goes under the mongrel system which we now have? It will only remain with us when employed as the instrument through which our beloved country is sunk deeper and deeper under the burden of a bonded debt. As soon as these bonds are issued gold will take up its course again for the money centers of Europe. American gold coins are to-day being hoarded in the money chess of European governments as a reserve for their next great wars. of European governments as a reserve for their next great wars.

Mr. Chairman, I will digress for a moment to speak of the present bond issue, because it is really part of the question under consideration. On yesterday the Secretary of the Treasury received bids for \$100,000,000 in interest-bearing bonds and to-morrow he will accept bids and allot the bonds, and thus, in a time of profound peace, this nation will go \$100,000,000 more in debt, and for what purpose? It is not to raise money with which to carry on the Government. On yesterday there was \$170,774,376.93 free money in the Treasury available for use. It is to supply gold for the benefit of those who will export it to foreign countries; who will hoard it, hoping for a premium, and this process must be repeated as soon as this voracious crowd can return to the attack upon the Treasury. It must be a long bucket which can be kept full after the bottom has fallen out. It is true this one hundred and seventy millions was not acquired through the legitimate revenues of the Government as if obtained through the ordinary sources of revenue. When the sale of bonds which took place on yesterday is completed over a hundred millions more will be added to the surplus in the Treasury, it is as available for every purpose of the Government as if obtained through the ordinary sources of revenue. When the sale of bonds which took place on yesterday is completed over a hundred millions more will be added to the surplus in the Treasury, so that plainly these bond sales are not to obtain revenus. Both the President and Secretary so declare. The currency in circulation will be contracted another hundred millions. Greenbacks, which so many gentlemen on this floor object to having retired, will be most effectually locked up from circulation, causing sharp contraction in the currency. Neither, sir, can I join with gentlemen who would congratulate the Government upon the favorable terms of this loan. The rate of interest will not be less than \$\frac{3}{2}\$ per cent per annum. Great Britain pays only \$2\frac{1}{2}\$ per cent on some of her co

Britain. [Applause.]
Sir, when this bill in its original form, regulating the issue of bonds, was before the House, I voted against it. I will have no part or parcel with Grover Cleveland in this gold-bonding scheme; I wash my hands of the whole business. [Lond applause.] wash my hands of the whole business. [Loud applause.]

HAVE WE BIMETALLISM NOW!

Mr. Chairman, there seems to be confusion in the minds of many as to whether we live under the bimetallic system or have a single gold standard. And when we consider our various kinds of current money and the operations of the Treasury under the rulings adopted there we can not wonder that there is doubt in the minds of the people concerning the law upon these most important subjects. Once more, what is bimetallism? Maurice L. Muhleman, deputy assistant treasurer of the United States at New York, in his recent work, Monetary Systems of the World, defines bimetallism as follows:

By bimetallism, strictly defined, is meant the free and unlimited coinage of both gold and silver into coins of full debt-paying power. Not the mere use of the double standard, but the actually open mints on the terms above

This definition agrees exactly with the system given us by Washington, Hamilton, and Jefferson. A clear understanding of the meaning of terms is the first necessity in the discovery of truth. Gentlemen might as well talk about the "horse marines" or discourse upon "white blackbirds" as to talk about bimetallism with any one of the essentials included in this definition left out. Any

any one of the essentials included in this definition left out. Any other is a bastard affair and not bimetallism.
Under our existing laws we lack but one essential of bimetallism; that is, we have closed the mints to the further coinage of silver. The act of 1873 discontinued the coinage of the silver dollar, and the Revised Statutes of 1873, which came in force in 1874, provided that silver coins should be a legal tender for no more than \$5. But specie payments being at that time suspended, the stoppage of the coinage of silver and its demonetization were not felt. The passage of the Bland-Allison Act in 1878 and the Sherman law in

1890 restored the silver dollar to its full legal-tender power. The repeal of the purchasing clause of the Sherman Act, although it stopped the coinage of silver, took away from the silver dollar none of the high attributes of money of final redemption. And so stands the American silver dollar in the eyes of the law to-day.

Mr. Chairman, I will not weary the House by pointing out the different acts providing for the payment of the indebtedness of the United States. It is admitted on all sides that the resumption act and all acts for the payment of the bonded and other obligations of the United States provide for payment in "coin" only, and not in gold. And, sir, here it is that we are lacking in one more and a most important essential of bimetallism. The Secretary of the Treasury construes the word "coin" to mean gold, if the creditor demands it. Instead of holding the option of payment in either coin with the Government, and thus protecting the Treasury, he gives the option to the creditor. This second requisite we lack, namely, that the Government itself shall give its faith, full value and credit to the silver dollar by tendering it in payment of the obligations of the United States whenever the law provides that it may be done and the condition of the Treasury requires it. In this we differ from France.

ment in either coin with the Government, and thus protecting the Treasury, he gives the option to the creditor. This second requisite we lack, namely, that the Government itself shall give its faith, full value and credit to the silver dollar by tendering it in payment of the obligations of the United States whenever the law provides that it may be done and the condition of the Treasury requires it. In this we differ from France.

The law says that silver shall be a legal tender for all debts, public and private. All our outstanding obligations, including the greenbacks, are payable in "coin," yet from the very hour of resumption the Treasury Department has transferred to the holder of United States notes—greenbacks—the option to demand and receive gold in payment. This statement being often questioned, I have been at some pains to procure the testimony of the Secretary of the Treasury, so there can be no doubt about it. That official testified before the Committee on Appropriations of the House of Representatives, during the consideration of the sundry civil appropriation bill for the year 1806, as follows:

Question by Mr. Sibley, a Representative from Pennsylvania:

Question by Mr. Sibley, a Representative from Pennsylvania: I would like to ask you what objection there could be to having the option of redeeming either in silver or gold lie with the Treasury instead of with the note holder?

the note holder?

Mr. Carlisle. If that policy had been adopted at the beginning of resumption—and I am not using this for the purpose of criticising the action of any of my predecessors, or anybody else—but if the policy of reserving to the Government at the beginning of resumption the option of redeeming in gold or silver all its paper presented. I believe it would have worked beneficially, and there would have been no trouble growing out of it; but the Secretaries of the Treasury from the beginning of resumption have pursued the policy of redeeming in gold or silver at the option of the note holders. There is a vast difference between establishing a policy at the beginning and reversing the policy after it has been a long time established.

This testimony of the Secretary removes all doubt concerning the law.

Mr. Chairman, to show to what lengths these ministerial officers of the Government will go, they pursue this policy not only with greenbacks, but with Sherman notes—silver certificates issued under the Sherman law. And the law there expressly provides that the option to redeem such notes in gold or silver coin shall be at the discretion of the Secretary. Sir, no lawyer upon this floor will contend that there is authority for interpreting the statute to give the discretion of the Government to the creditor where it expressly provides that this discretion shall lie with the Secretary.

HOW THIS WORKS.

The distinguished gentleman from Pennsylvania [Mr. Brosius], in debate upon this floor a few days ago, said:

In respect to the gold reserve, it may be said that the situation of the Treasury of the United States under our system is singularly unique. I think it is the only place where gold redemption is absolutely compulsory without qualification or limitation. It is the only custodian of gold on the face of the earth that I know of which is without the means of resisting incursions from foreign claimants or domestic speculators or hoarders.

It is these rulings of the Secretaries of the Treasury, Mr. Chairman, which furnish the "endless chain" with which to draw all of our gold out of the Treasury, force these bond issues, and discredit one-half of the metal money of this Government. It is these rulings which leave us standing two steps from full bimetallism instead of one, where we might stand under the law.

It appears to me that we have the same system under the law as the French people. They have full bimetallism, except that free coinage has been discontinued. The Bank of France, which stands in place of the Government, exercises the option of paying in gold or silver. In this manner it is able to regulate the amount of gold and silver retained in the bank, and the amount of coins of each metal in circulation throughout that Republic. Coins of both metals are thus held at a parity and the credit of the bank is maintained.

Sir, the Republican party will never be a party to the creation of "dishonest dollars." The people of the State of Washington honestly differ in opinion as to whether bimetallism in this country may be restored by the enactment of a full bimetallic law at once. But, sir, in my opinion, they do not differ in their desire that full bimetallism shall be established in this country. They differ as to what are safe means to bring it about. Gentlemen on the other side tell us that this full bimetallic law which has been

sent to us from the Senate Chamber can not pass at this time; that even were it to pass this House it must fail under the veto of the President. It would be interesting to know how many put away investigation and discussion of this question, lay aside misgivings, and join their forces with the strongest legions. But, sir, no such course as that will answer for me. I shall accept the responsibility. When this question comes to a vote I shall first vote for the amendment to open the mints to coinage of silver produced in the mines of the United States. If this fails, gentlemen on the other side must show that some other measure leading to bimetalism will be offered, some step to relieve us of this terrible pressure for gold, or I shall support the Senate amendment.

Sir, being a new member of this body I shall not set up as a "knowit-all" nor as being able to solve this great problem alone. But let me suggest that if we can not begin by the enactment of this full bimetallic law, the first step to break up these gold raids upon the

Sir, being a new member of this body I shall not set up as a "knowit-all" nor as being able to solve this great problem alone. But let me suggest that if we can not begin by the enactment of this full bimetallic law, the first step to break up these gold raids upon the Treasury, stop the issue of interest-bearing bonds, and resiore perfect parity of value between gold and silver, and thus lead to full coinage of both metals, will be for our Secretaries of the Treasury to reserve to the Government the option of paying in either coin, and pay gold and silver in equitable proportions, as is done at the Bank of France. I can not concede that the various statutes and joint resolutions adopted by Congress declaring it to be the policy of the Government to maintain the parity are followed in letter or in spirit by giving all the preference to gold. We can certainly see that the plan is working most disastrously to our people. The hundred millions in bonds issued on yesterday will not be the last.

of the Government to maintain the parity are followed in letter or in spirit by giving all the preference to gold. We can certainly see that the plan is working most disastrously to our people. The hundred millions in bonds issued on yesterday will not be the last. Soon another issue will be called for, and so on.

The Secretary in his testimony says: "If this policy had been adopted in the beginning, I believe it would have worked benecially and there would have been no trouble growing out of it." If, sir, we have already drifted far away from safe moorings, shall we drift farther and farther away until we are lost in the deep sea of financial ruin? No, sir; let us put about before it is forever too late, and make for the haven of law, good faith, sound finance, and historialized.

and bimetallism. [Applause.]

Sir, ninety-five out of every hundred of the people of this country "live and move and have their being" by the fruits of toil. "In the sweat of thy face shalt thou eat bread" is the law of humanity. The plain people do not believe the policy of the Government should be directed entirely in the interests of the income classes and those whose business in life is to deal in money. People honestly differ, as I have said, as to the means by which bimetallism may be reached, but they favor bimetallism, and are strongly opposed to the single gold standard. The chief doubt, sir, it appears to me, lies in the difference between the commercial value of the bullion from which the gold and the silver dollars are made. I have already shown beyond dispute, it seems to me, that this has been caused principally by the enactment of laws directed against silver; but the question is, How shall we recover the lost ground? Adopt this policy of paying all obligations of the Government in the coins of both metals, and it will increase the value of silver and give confidence in that metal. As population increases and business grows and the demand for more money to carry on the business of the country presses, we may take the next step toward full bimetallism by opening the mints to the coinage of the American product.

ican product.

Mr. Chairman, one argument advanced by the other side I must notice briefly. It is that the Government has no silver coin with which to make payments in silver as well as gold. The argument has no foundation. To make sure, I examined the question in the office of the Treasurer of the United States, Hon. D. N. Morgan, this morning, and had the courteous assistance of that gentleman. No records are kept of the vast sums of money received by the Government through internal revenues, nor at the customhouses of the United States, except in the city of New York, where the principal part of the revenues from customs is received. There records of the different kinds of money paid to the Government are kept, and the reports show that for the past three years more than one-third of the revenues were paid in silver or silver certificates. There is no question but the same proportion holds good as to internal revenues and collections at other customhouses. The Government has a great silver revenue, amounting to probably two hundred millions each year. Where received in certificates, all that is necessary is for the Government, which then becomes the owner of the certificates, to replace the certificates with the silver dollars in the Treasury, and by this method become enabled to pay out the silver coin. The coin is a legal tender, the certificates under the Bland-Allison law are not. The creditor may take his choice in silver coin or silver certificates. The right of the Government to take this course, I am informed by the honorable Treesurer is uponestioned.

by the honorable Treasurer, is unquestioned.

"It is hard for an empty bag to stand alone," says Franklin.

The Government has a splendid silver revenue, and in the bimetallic system, which I believe will come, it will also have a gold revenue. If the Government must pay gold, it must have a gold revenue other than that derived from the sale of bonds in

time of peace. This was the system of Lincoln and Seward, of Chase and Fessenden.

OUR SILVER DOLLAR TO-DAY.

Mr. Chairman, if gentlemen will bear with me a moment, I would like to speak of the character of the American silver dollar would like to speak of the character of the American silver dollar and the important work it is performing to-day in carrying on the business of the people. I know of no subject about which so much misrepresentation is constantly made and concerning which so much misapprehension exists. On yesterday there were \$331,462,893 in silver certificates under the Bland-Allison law and \$58,334,092 in standard silver in circulation. It is constantly the teach of these silver dellar and service the standard silver in circulation. and \$98,384,092 in standard silver in circulation. It is constantly charged that each of these silver dollars and certificates is worth 100 cents only because there is a gold dollar behind it, because the Government will redeem it in gold. The mails come laden with pamphlets written upon this question, where this contention is strenuously argued; magazine and newspaper articles constantly reiterate it. Sir, the assertion is always a flat falsehood or an ignorant mistake.

These silver continues are redeemable in silver dellars only the

hood or an ignorant mistake.

These silver certificates are redeemable in silver dollars only; the certificate is practically a receipt for silver dollars deposited in the Treasury. Upon demand by the holder they are paid in silver dollars. This dollar is a full legal tender for all debts, public and private, except where otherwise expressly stipulated in the contract. The silver dollar is not redeemable by the Government at all; it redeems itself; it is standard money and rests in no manner whatever upon gold. That there may be no question upon this point, I take the liberty of reading an extract from a letter upon the subject, written by the honorable Secretary of the Treasury to Hon. John W. Daniel, Senator from Virginia, which has been published. It is as follows:

published. It is as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

Washington, D. C., October 18, 1891

Sir: I have the honor to acknowledge the receipt of your letter of the 12th instant, and to inform you, in reply to first, second, and third questions therein contained, that there is no statute or practice of this Department under which any of the standard silver dollars coined by this Government can be converted into gold at the Treasury.

Respectfully, yours,

J. G. CARLISLE, Secretary.

Hon. JOHN W. DANIEL, Lynchburg, Va.

The certificates are no more convertible into gold than the coined

Here, sir, are nearly \$400,000,000 in active circulation throughout the country, carrying the burdens of the people, filling every office of money, except that it can not be used to raid the Treasury of its gold, nor to force the Government to issue bonds to buy gold with which to redeem it. There were at the same time ury of its gold, nor to force the Government to issue bonds to buy gold with which to redeem it. There were at the same time in circulation \$137,230,280 of Treasury notes, issued under the Sherman law, making a total of over five hundred millions of silver circulation. These Treasury notes, like the silver dollar, are afull legal tender, and were it not for the rulings of the Secretary of the Treasury, that he will allow the holder of these notes to exercise the option of demanding gold, which I have already referred to, they, like the dollars and certificates under the Bland-Allison law, could not be used to raid the Treasury and force bond issues. Sir, this silver money is the money of the people to-day. Take a check to a bank in the city of Washington for payment and you will receive \$90 in silver certificates out of every hundred paid. Ninety dollars out of every hundred paid to members of this House for their salaries day before yesterday, was paid in silver certificates. When we pass appropriation bills in this House for carrying on the operations of the Government—the Army, the Navy, rivers and harbors, coast defenses—we appropriate in dollars, and the silver dollar, and the silver certificate which represents it, are included. The Government tenders it and pays it out in all its vast operations. And right now, national-bank notes (being convertible into greenbacks), Treasury notes, greenbacks, and all other paper money have practically disappeared from circulation, being hoarded with which to draw gold from the Treasury. And yet, sir, we are constantly met with the statement, both in the press and arguments of advocates of the single gold standard, that the silver dollar will not circulate, that the silver lies piled up in the Treasury useless, and, many are made to believe, at a dead loss to the Government. This silver bullion is in circulation the same as the gold bullion of the Bank of England. The gold remains in the vaults of the bank and scarcely ever circulates; the notes of that bank are practic are we upon the gold basis?

are we upon the gold basis?

Sir, Republicans are wont to refer with much gratification to the era of great prosperity in the United States, extending especially from 1890 to 1892, when it reached its zenith, when the wage earner received more for his toil than ever before in this country; not only that, received a higher wage rate than was ever known under any other Government. This era of prosperity might well be termed the silver age. In 1878, under the Bland-Allison law, we began coining two millions of silver per month-

and continued it uninterruptedly. In 1890, under the Sherman law, we increased the coinage to four and one-half millions per month, and the prosperous times of 1891 and 1892 followed. But

law, we increased the coinage to four and one-half millions per month, and the prosperous times of 1891 and 1892 followed. But Grover Cleveland took the Presidential chair, and immediately clouds gathered. The President called Congress in special session to repeal the wicked Sherman law. "Confidence" was wanted. Senator Sherman said, advocating the repeal, "In ten days from this time the skies will brighten, business will resume its ordinary course, and the clouds that lower upon our house will be in the deep bosom of the ocean buried."

The law was repealed, and, sir, every man, woman, and child knows the condition of this country from that time to this hour. Its memory will last as long as this generation.

But, Mr. Chairman, candor will not allow me to claim that the evils that have fallen upon this country since 1893 are due to the repeal of the Sherman law. But I wish to point out how this prompt repeal shows fully that the hard times were in no wise the result of silver legislation.

Sir, the truth is that for the first time in more than thirty years we have turned our backs upon the American home and American fireside; we have given our splendid markets over to the foreigner, instead of the American producer; we have turned away from the American wage earner and thrown our favors to his foreign competitor. But ah, sir, even now, while we discuss this question, the victorious legions of protection, once led by the immortal Lincoln, are forming, and in November will sweep this country with the greatest victory since 1861. [Loud applause.]

THE PARMER.

Mr. Chairman, agriculture has been fittingly termed "the mother of all industries." The farmer has ever been the bulwark of the Republican party. Of the 70,000,000 people in these United States 35,000,000 are interested directly or indirectly in the tilling of the soil. None should be more quick than Republicans to inquire after the welfare of the farmer. It was the farmer who, rallying from hill and dale, forest and plain, gave us Abraham Lincoln for President in 1861. And so, faithful until 1892, he gave the full measure of his support to Benjamin Harrison, while the manufacturer, caught by the Democratic cry of free raw materials and protection for the finished product, voted for Grover Cleveland. And what is the condition of the farmer to-day? In September a year ago cotton was at a lower price than in thirty years and wheat lower than in three hundred years. There has been little improvement from that day to this. Statistics show that there has been a greater proportion of business failures and that there has been a greater proportion of business failures and that the times have been in all respects worse from the 1st day of January last down to the present hour than at any time during

January last down to the present hour than at any time during the history of this country.

In 1880 the farmer produced 498,549,868 bushels of wheat. Although the yield was an average one, the prices were below the average of that period; but it brought him \$474,201,850. Handle the series of wheat. Although this was but 31,446,921 bushels less than in 1880, it only brought him \$237,938,998, which was \$236,262,852 less than in 1880, and yet

he has not murmured.

he has not murinured.

Let us look again at the wretched year 1895 and see what the farmer has done in that year. The total value of all exports of the productions of the United States that year was \$798,392,599. Of this sum \$553,210,026 was the product of agriculture, or 69.73 per cent. These figures are taken from the United States Statistical Abstract of 1895. Sir, the basis of all business or personal prosperity is what we produce. Is it possible for any people to prosper when the product of labor is below the cost of production? Ask the cotton planter what he has left after marketing his cotton at 5 or 6 cents per pound in New York. Ask the farmer in Pennsylvania, Illinois, or California what he has left after selling his wheat at 50 to 60 cents a bushel in New York.

Sir, I have seen the most beaut. It samples of wheat ever grown in the world selling, during the fall of 1895, throughout the great "inland empire" embracing eastern Washington, Oregon, and Idaho, at 30 cents per bushel, and this within 400 miles of the seaboard.

Mr. Chairman, during the past twenty years the farmer has seen, first, the banking interests, second, the railway interests, third, the manufacturing interests all surpass him in the accumuthird, the manufacturing interests all surpass him in the accumulation of wealth and prosperity. He has seen the value of his farm lands constantly decrease, until well-nigh half their value has fallen away; the value of the products of his toil year by year fall off, until at last there is no longer a certainty of market even. Sir, the farmer, first of all to feel the evil effects of unsound money, least prepared of all to withstand the evils of a depreciated currency, has ever stood firm for sound money. But, sir, the time has come when the farmer will cry for "sound property" as well as sound money. There can be no beauties in a financial system which leaves the value of his lands to walk away in a night, which leaves the farmer's crops upon his hands, after all his care and toil of production, worth less than their cost. Constantly declining values are ruining the farmer, transferring his home to the hands of the mortgagee, compelling him to take the place of tenant instead of owner.

the place of tenant instead of owner.

Sir, men tell us money is not scarce; indeed, they say that the banks in New York are full of it. But let the farmer try to get some of it for his own by selling a field, a house, some wheat, cotton, cattle, horses, or any of the products of his labor and he will soon find out whether money is cheap and plentiful or not. Indeed, sir, the farmer is beginning to ask, "Is not the value of money appreciating?" And I ask you in all candor, sir, can we safely adopt a single gold standard before we have carefully consulted the farmer? The farmer has been the sturdy reliance of the Republican party, and whenever he withdraws his support the mission of that party will be ended. [Applause.]

MORE MONEY.

Next to the alphabet-

Says Macaulay— money is the greatest of labor-saving inventions.

Sir, this country needs more money in circulation. Notwith-standing our rapid growth in population and business, the cur-rency has been contracted a round hundred million dollars during the past year. The per capita decrease in circulation is becoming appreciable in the business world. Says John Stuart Mill:

That an increase in the quantity of money raises prices and a diminution lowers them is the most elementary proposition in the theory of coinage, and without it we should have no key to any of the others.

So Hume taught in his Essay on Money:

The policy of the good magistrate consists in keeping the money of the nation, if possible, still increasing, because by that means he keeps alive a spirit of industry and increases the stock of labor, in which consist all real power rand riches. Accordingly we find that in every kingdom into which money begins to flow in greater abundance than formerly everything takes a new face—labor and industry gain life, the merchant becomes more enterprising, the manufacturer more diligent and skillful, and even the farmer follows his plow with greater alacrity and attention.

plow with greater alacrity and attention.

Sir, under our present monetary system little new currency is being added to our circulation; gold coinage gives but slight increase. It must be remembered that about one-half of all the gold produced in the United States is required for use in the arts; the mints are closed to silver; the price of United States bonds is so high that national-bank circulation is not profitable, and scarcely anything is being added through that channel, and yet the nation is advancing in growth, business, and population as no other nation has done in ancient or modern times. Why, sir, as no other nation has done in ancient or modern times. Why, sir, we take on an added population equal to Canada and all British Columbia every three years. In 1910 we shall have 90,000,000

people. During the coming century we will have 400,000,000,000, Mr. Chairman, what has become of the "Baltimore plan" and the "Carlisle plan" for banking currency, of which we have heard so much? Ah, sir, the Egyptian mummies across yonder in the Smithsonian Institution are not more dead than these plans. Who would resurrect the State banks, with their wild-cat money?

Who would resurrect the State banks, with their wild-cat money? [Applause.]
I ask you, then, sir, what will be the monetary system of the future? Mr. Chairman, for thirty years the United States Government has given to the people a currency, and never one dollar of this currency has been found bad. Can the Government now, after discharging this duty so long and so satisfactorily, abdicate this important function of government? The people have indicated that they are not ready for it. I believe, sir, that the plan will be a simple one and its execution easy; the money of the future will consist of gold and silver coins and United States notes (greenbacks); the latter redeemable in gold and silver at the option of the Government, to be always issued in sufficient quantities to do the business of the people and prevent cornering of the money market, panics, low prices, and hard times. National banks will be simply banks of loans, deposit, and exchange.

For all this, sir, the people must look to the great Republican party. There is no other hope. The Democratic party, always for free trade, has been broken into fragments by Grover Cleveland and his Wall street allies. The leaders of the Populist party—a party always opposed to protection—already admit that they can not hold together after the next Presidential election. Protection gives

of bimetallism must be the party of protection. Protection gives a balance of trade in favor of the United States and enables her to hold her specie at home, while free trade demands the gold standard. I predict, sir, that this will be the policy of the future, and that the people will demand it; it is an American policy.

[Applause.]

THE PACIFIC SLOPE.

Down to the end of the year 1894 there had been produced in gold and silver bullion in the United States \$3,310,180,769. Sir, this is nearly one-third of all the money metals of the world, and of this vast sum more than \$3,000,000,000 was produced in the Pacific Coast States and Territories. This production of the precious metals changed the course of business and commerce in two continents, and raised the United States from a second to a first class

Gentlemen on the other side say we have not demonetized silver, but we have demonetized the silver in the mountains; we have turned the miner's pack horse loose to graze; we have tampered with his fuse and dampened his powder; we have paralyzed his arm and chilled his heart of Assignment Assignment.

with his fuse and dampened his powder; we have paralyzed his arm and chilled his heart. [Applause.]
Why this discrimination in favor of gold and against silver mining? Why the epithet "silver baron"? For every ounce of pure gold the Government gives \$20.67 in coin. Sir, there are 20 mines in Colorado where gold is produced at a cost of \$1 per ounce, and there is one mine where gold is produced at a cost of 25 cents per ounce, and yet we hear nothing of "gold barons." It must be remembered, Mr. Chairman, that nature often holds the gold and silver ore locked in the same ledge. Remove the profit of mining the silver, and the gold can not be extracted and remains lost to circulation, for which there is such urgent need. Sir, it is the declared policy of the Republican party to favor and protect all of the industries of the people of the United States. The mining of silver is a great American industry and has been during

mining of silver is a great American industry and has been during all of the history of our country. I ask gentlemen of the other side, and I confess with some feeling, if during the year 1896 silver mines were discovered in the "tight little isle" where the British Government has its seat, and 60,000,000 ounces of silver were produced, what would be the policy of that Government to-ward silver? The answer is too plain. [Applause.] On the other hand, the principal gold-producing district, South Africa, is al-ready securely sealed to English interests. Sir, every principle of patriotism, every law of self-protection, every policy of Americanism demands the adoption of bimetallism by the people of the United States

the United States.

Mr. Chairman, I have detained you and the House too long. But I would ask you for a moment to look away to the broad lands of our Western Slope. There, sir, is an empire—there the greatest preserve of undeveloped resources in these United States. It is in its infancy. There is more gold and silver locked in its mountains than in all the money chests of the world. It is a land of grand forests, beautiful valleys, broad seas, and peaceful harbors; of lofty mountains, vast plains, sunny climes, and health-giving breezes. It is awaiting the touch of the genius and the enterprise of those who would unlock its untold wealth. And among the grandest and fairest of all is the young State of Washington.

Mr. Chairman and gentlemen. I thank you for your kind atten-

Mr. Chairman and gentlemen, I thank you for your kind atten-on. [Loud and long-continued applause.]

Laws Relating to American Seamen.

REMARKS

HON. JOHN MURRAY MITCHELL,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 8, 1896,

On the bill (H. R. 6390) to amend the laws relating to American seamen.

Mr. MITCHELL said:

Mr. SPEAKER: Owing to the migratory life which a sailor leads, he is at a great disadvantage when compared with every other

employee in the way of recommendation.

No manufacturer, merchant, or other employer on land takes an No manufacturer, merchant, or other employer on land takes an employee without some recommendation. As a rule, the sailors, when a voyage is finished, be it short or long, are paid off and go ashore and are left to their own devices and to the mercy of the land sharks. When a master of a vessel wishes to get a crew, he takes such men as he finds, and, as a rule, they have no certificate to show their previous service. Every employee in every other class of business would dislike to be associated with men of doubtful character and men who cause great trouble and dissension in the line of their own employment; but the risk that they may a nothing compared with that which a good sailor takes when run is nothing compared with that which a good sailor takes when shipping on a vessel with a miscellaneous crew about whom he knows nothing, and about whom the master who shipped them knows little more.

The result is, necessarily, that the good men are frequently disciplined in the most savage manner and on slight pretext by the master of the vessel in order to assure the safety of his life and the lives of others on his ship, as well as the cargo and the ship he has in charge. And the rules which have governed the control of the sailor by the master have been considered necessary in the past, as the ship has been a species of small kingdom. There is no reason why a ship should not be manned by sailors

of universally good character any more than there is reason for a banker employing dishonest or crazy clerks and office boys. The trouble, as far as I have been able to find out, lies in the

method of employment and the lack of any method by which the employer can determine the character of the men he employs, and it seems to me, therefore, in the interest of sailors who are capable of shipping as able-bodied seamen that a bill should be introduced for their benefit which should provide that every custom-house in the United States should be furnished with a book entitled "A registry list," and that every sailor when arriving in a port in the United States should be given the absolute right of going to the custom-house where his ship is in port and having recorded on said "registry list" his record as a seaman. This would enable him to refer anybody in doubt of his capabilities to the custom house or houses in the United States where he had filed a record previously as a sailor. previously as a sailor.

Every master should be compelled under the law to give such

sailor a certificate to the effect that such sailor had been on board his vessel from the time he had shipped to the time of his leaving

I would not make this certificate broader, for the reason that if you required the master to certify to the character of the sailor he might easily avoid giving such a certificate; but the sailor who he might easily avoid giving such a certificate; but the sailor who had a certificate from various sailing masters or from one sailing master that he shipped for a number of months or years on a certain vessel or number of vessels would have a prima facie recommendation. It also enables the shipper or master to inquire into the record of the sailor and discover what his record has been the vessel or vessels on which he has shipped. A sailor with such a certificate or certificates from various sailing masters would have an advantage over sailors who had no such certificate.

It must be evident to everyone that it could not be detrimental to the character or interests of any able-bedied saman, as it would

to the character or interests of any able-bodied seaman, as it would be required by a provision in the law to be enacted that a sailor when leaving a ship should be as much entitled to receive the certificate which I have suggested as he would be to get his pay. as allor with this certificate could then go to any custom-house in any port in which his vessel was at anchor, and by showing his certificate to the custom-house have such custom-house make in its registry list, as suggested above, a record of his experience at

I beg leave to state now that at the next session of Congress I shall introduce a bill for the benefit of seamen in this respect.

I state this now for the purpose of inviting suggestions on this subject from everybody interested in sailors and ships, and in order that the bill may be prepared with regard to the best interest of the sailors, and that it may pass as proposed, with amendments made before it is introduced rather than after. A carefully prepared bill to this effect will, I believe, meet with the entire approval of both branches of Congress and could be made most beneficial to both sailors and masters and owners of ships, and I cordially invite suggestions from everybody interested in this subject, in order that I may have the advantage of the experience of those better posted than I am in these matters and be able to express their views at the next session of Congress.

International Bimetallic Conferences-National Action.

SPEECH

OF

HON. FRANCIS G. NEWLANDS. OF NEVADA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, February 6, 1896.

The House having under consideration the bill (H. E. 2904) to maintain and protect the coin redemption fund, and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue—

Mr. NEWLANDS said:

Mr. NEWLANDS said:
Mr. SPEAKER: The gentleman from Maine [Mr. DINGLE?] in opening the debate stated that the free-coinage bill submitted by the Senate for the bond bill passed by the House was not responsive to the action of this House. I submit that this depends upon the point of view. The purpose of the bill passed by the House was, as I understand it, to provide a fund for gold redemption; and that fund is made necessary by the constant export of gold from this country. The real evil, then, is the export of gold; and I submit that any legislation which would have a tendency to check such export meets fully the requirements intended to be met by the bills which passed this House. And what causes that export of gold? The fact that the balance of trade is and has been for a long time against this country. What measures should we take to check that export? First, in my judgment, the tariff wall

should be raised a little higher, so as to diminish the importation of foreign goods; and second, legislation should be adopted which will raise the value of the ounce of silver throughout the world, and thus concurrently raise the value of the natural products of this country—wheat, cotton, wool, and other farm products which we export for the payment of our debts abroad. Thus by the diminution of our imports and the increase of the value of our exports the balance of trade would be turned in our favor, and there would be no need of providing a fund for gold redemption by the constant sale of bonds. stant sale of bonds.

MR. DINGLEY FAVORS BIMETALLISM.

I understood the learned gentleman from Maine to say that he would welcome bimetallism; that he would welcome any system which would maintain in this country and throughout the world the concurrent use of both metals at a ratio established by law. The fact that the gentleman favors bimetallism, favors the free and unlimited use of both metals, indicates that he recognizes the evils which arise from the use of one metal alone; that he is opposed to gold monometallism; that he believes that the business of the world is too large to be transacted with gold alone; that the country's business and the world's business require a concurrent use of both these metals—not only the accumulated stock, but the current product of the mines of the world.

We then agree as to the desirability of bimetallism; we both agree that the amount of gold in the world is too limited, and that there is not more than enough of both metals to transact the

agree that the amount of gold in the world is too limited, and that there is not more than enough of both metals to transact the monetary business of the world.

The only point of difference between us is as to the method of restoring silver. The gentleman insists that it shall be done only by the concurrent action of the powerful nations of the world. I agree with him as to the desirability of such concurrent action; and if it were, in my judgment, probable, I would favor delaying action by this nation alone. But I insist that our experience ever since 1873—the experience of four international conferences—the experience of four international conferences—the since 1873—the experience of four international conferences—the action of the powerful creditor nations of the world to-day upon this subject—indicate that the concurrence of those nations is impossible. The only question with me is whether we shall submit to conditions which are at present intolerable in a debtor nation, or whether we shall take the chance of leaping in the dark, as the gentleman from Maine terms it. He calls it a leap from light into darkness; I call it a leap from darkness into light.

PROSPECT OF INTERNATIONAL RIMETALLISM.

Now, gentlemen, what is the prospect of international bimetal-lism? What is the prospect of the concurrence of the leading commercial nations of the world, without whose assent it is claimed that the restoration of bimetallism is impracticable? What are the leading commercial nations? They are the great creditor nations of the world—England, Germany, and France; the latter occupied almost exclusively with domestic concerns, and cutting but fittle figure in international matters, England and Germany being the principal creditor nations. Look upon the map of the world, and see how small a space those nations occupy. If that map were spread before us to-day in front of the Speaker's deak you could hardly distinguish those countries in the vast space which is covered by other nations of vast population, of vast possibilities, and almost infinite capacity for the absorption of new money.

vast possibilities, and almost infinite capacity for the absorption of new money.

The American Republic, suffering from the scarcity of gold and yet boastful in her suffering of her resources and power, with a population nearly two-thirds as great as the population of these three countries, rejects the friendly aid of countries having a population of over 1,000,000,000 people and asserts that without the friendly aid of these three countries, having a population of only 120,000,000 people, the gold famine must continue and that silver must be denied its fruitful and energizing use. It becomes important, therefore, to ascertain what the attitude of these countries is to the question after twenty-three years of agitation and four international conferences. And what do we find? That France is friendly to bimetallism, that Germany, once hostile, is progressing toward friendliness, but that both declare positively that they will not act unless England joins. And what does England say? She declares to-day, as she has uniformly during these many years of agitation, her unalterable purpose of adhering to the gold standard.

ENGLAND'S POSITION.

ENGLAND'S POSITION.

And what arguments can we use to convince these leading commercial nations that it is to their interest to join us in an international adjustment which will restore the use of silver to both? We say that there is too little gold in the world for business purposes; that the disuse of silver has appreciated the value of gold and depreciated the value of all property which is measured in gold. What does Great Britian reply? She says, "We own the gold of the world, and yet you ask us to resist a movement which is rapidly appreciating the value of that very gold. You delude yourselves with the idea that you own between four and five hundred millions of gold; but that is a mistake. It belongs to us. We temporarily deposited it in your country. We loaned it to you on call or upon long-time bonds, which is substantially the same, because whenever we want to realize on them at any time we can call them in; we can sell them; we can recall our loans and recover

them in; we can sell them; we can recall our loans and recover our gold.

"We can do just as we did in 1800, at the time of the Barings failure. We wanted gold then and we took \$90,000,000 of your gold, and almost bankrupted you. You afterwards threatened war with us on the Venezuelan question. We took our gold away from you again, demoralized your stock markets, threatened your Treasury with bankruptey and your banks with insolvency, and paralyzed the arm that was raised to strike us. And yet you ask us to abandon the position of strength which we occupy; and why? Because you say that the appreciation of gold has caused a decline in the value of all the products of your country—wheat, cotton, and wool, and all other natural products which you produce in competition with silver-standard countries. Do we sell these things? No. We buy them; and the less the price we have to pay for them the better for us."

We then point to her manufacturing population, which is now suffering from competition with silver-standard.

suffering from competition with silver-standard countries, whose labor, always cheap, is now doubly so, measured in gold. We point to the land-owning class, the burdens of which in Great Britain have become absolutely intolerable.

A CLASS-GOVERNED COUNTRY.

What is the answer to our suggestion in that regard? That England always was a class-governed country. For centuries it was governed by the landowners. In the early part of this century the manufacturing class, under the aggressive leadership of Cobden, advanced into power, and raising the cry for cheap food for the operatives, repealed the corn laws, which gave protection to domestic farmers, and so the landowning interest became subservient to the manufacturing interest. And how is it to-day with the manufacturing class? Through her commerce England has swept the seas of the world, carried her manufactured products to all nations, taken their gold and heaped it up in her banks and has swept the seas of the world, carried her manufactured products to all nations, taken their gold and heaped it up in her banks and treasure houses, and then loaned out the gold so accumulated to other countries on bond and mortgage, and to-day the capitalistic class, the money-loaning class, the banking class, is the predominating class in England, and it proposes to sacrifice the manufacturing class just as the manufacturing class did the landowning facturing class just as the manufacturing class did the landowning class in years gone by. Some interests must suffer in pursuing a great national pelicy, and the people of England will stand, as they have heretofore stood, for the interest of the governing class of that country, a class which subordinates every consideration of domestic and economic policy to the desire of maintaining a constantly increasing control over the products of labor throughout the world by a cunningly devised system of credits based on the gold which England mainly owns, and which makes her the controlling power in peace and war, the partner without risk in all enterprise and production, the absorber of wealth, fastening her tentacles upon the energies, the hope, and the vitality of all peoples bound to her by the golden chains of financial dependence. But what other arguments can we address to these countries?

But what other arguments can we address to these countries? We say that there is not enough money in the world. The answer is: "We have ground for our support of the same of We say that there is not enough money in the world. The answer is: "We have enough for our purposes." We say that the per capita circulation of England and Germany is insufficient—that it is less than that of the United States. They answer: "That is true; but it is sufficient for our purposes, because we are creditor countries. The man who is not in debt needs no reserves. The man who is in debt and has hundreds of obligations that have a large transfer of the man who is not in debt and has hundreds of obligations that the man who is not in debt and has hundreds of obligations that the man who is not in debt and has hundreds of obligations that the man who is not in debt and has hundreds of obligations that the man who is not in debt and has hundreds of obligations that the man who is not in debt and has hundreds of obligations that the man who is not in debt needs not necessary fund. man who is in debt and has nundreds of obligations that always be met on demand must keep in bank some necessary fund to meet the requirement of any strain that may arise. So the to meet the requirement of any strain that may arise. So the creditor nations can reduce their reserves to the lowest limit without danger, and thus reduce their per capita circulation, while the debtor nation must always have a larger reserve and a larger per capita circulation to meet the constant calls which will arise. Besides that, if at any time our reserves fall below what is re-Besides that, if at any time our reserves fall below what is regarded as a safe limit, and our per capita circulation becomes too small, we have an easy remedy. We do not need to coin money, to coin silver, to replace it. All we have to do is to call upon the debtor nations who owe us to pay up and we then immediately raise our reserve and our per capita circulation to the required amount." Was not that so at the time of the Barings failure? There was a state of pamic caused by the withdrawals of gold by Russia; and how did England recoup her reserves? By coining more money? Oh, no. She called upon America for \$90,000,000. She looked about the world for the nation that was best able to respond to her demand, fixed upon America, and put her, as I respond to her demand, fixed upon America, and put her, as I said, upon the verge of bankruptcy and recouped her reserve.

BALFOUR AND SALISBURY.

I ask, then, what appeal can we make to those creditor nations that will swerve them from the line they have steadily pursued? You have observed that there is a large bimetallic sentiment in

both these countries. That is true. But it is confined to the land-owning and the producing classes, and they are dominated by the creditor class, even more strongly dominated than in this country. We have had the evidence of it in England herself We all hoped for a restoration to power of the Conrecently. We all hoped for a restoration to power or the Conservative party. Why? Not because we were in sympathy with the general policy of that party, but because we knew it was led by the land-owning class of England, that Lord Salisbury and Balfour were at the head of that party, and we knew from the atterances of Balfour that he was as thorough and enthusiastic a bimetallist as the most pronounced and radical bimetallist in this country. We hoped when that party was restored to power that, whatever its policy might be with reference to the Irish question, and other questions with reference to which our sympathies were against it, its action upon this momentous question, affecting the political economy of the entire world, would be favorable to the interests of this country and of the world. But what do we find? When that party comes into power, it comes with shackles imposed upon it by the banking interests of England.

And how is it with France? We go to France and we say to her, "You have always been the friend of silver. You organized the Latin Union. You sustained silver for many years. You used the ratio of 15½ to 1, and by the free coinage of silver maintained it upon a parity with gold. You have to-day one-half of your currency in gold and one-half in silver. Stand with us for the restoration of silver."

What is her answer? Her answer is "It is true that

What is her answer? Her answer is: "It is true that we sustained silver for a number of years, but it was your action in connection with that of Germany that forced us to suspend its use." What was that? In 1873 the United States of America was neither upon a gold nor a silver basis. That is to say, we had suspended specie payments. There was neither gold nor silver in the country. A resumption of specie payments was desirable. In 1875, I think it was, we passed an act declaring that we would resume specie payments. What did specie payment mean at that time? It meant payment in silver and in gold. What was the time? It meant payment in silver and in gold. What was the interest of this country? To maintain both metals so that specie payments could be more easily made.

What was the interest of this country as a producing country? It was the interest of a country that produced more than one-half

It was the interest of a country that produced more than one-half of the silver of the world—from every aspect, financial and industrial—to sustain silver. And what was our action? When our silver mines were opening up abundantly, when Providence pointed out her riches for our benefit, we declared by law that these mines should be practically closed so far as any benefit that we should receive was concerned. We not only deprived silver of its legal-tender quality, but we also declared by law that not an ounce of silver should be brought to our mints, and we gave notice to the world, "We regard this silver as worthless. We propose to throw it more you for absorption."

upon you for absorption."

Is it any wonder that the civilized world, as you term it, in Europe was alarmed? Just about that time, Germany having received a large subsidy from France, was able to go upon the gold basis as no other country could go. This large subsidy enabled her to make the turn without danger. So Germany's allver was thrown upon France, and the country to which we now appeal was made the victim of our action. For recollect that the United States of America was the first country to act in the demonetization of silver. My friend from Maine [Mr. DINGLEY] is mistaken when he says that the action of this country followed that of other powers. The only action that Germany took prior to February. 1873, was the restoration of gold, not the demonetization of silver. She was upon a bimetallic basis when we took our action, and she did not go to the gold standard absolutely—though perhaps her action was threatened—until three months later. So this country, the greatest debtor nation, the greatest silver-producing nation in the world, more interested in this subject than any other, led the crusade against silver, and now begs France, the victim of

her action, to help her restore it.

What else does France say in answer to our statement that the world has not sufficient money? She says, "That may be so with reference to the rest of the world, but we have enough." The United States has a per capita circulation of \$25, and France has a per capita circulation of about \$40. France, having no interest in the production of silver, adhered to it loyally prior to and for many years subsequent to our demonstization act of 1878, absorbing it all at a higher price than this country, namely, 151 to 1. She has to-day a per capita circulation of silver of \$12 against onr \$8. Can she not with great propriety say that it would be more becoming in us to raise our per capita circulation at least to hers by increasing the use of silver before we ask her to join us in increasing the volume of the money of the world?

The mint statistics show that of the \$4,000,000,000 of gold coin in

the world, one-half is to-day actually located in these three countries, England, Germany, and France, and we all know that the

other half, though scattered around among the rest of the world, is really tied by bond and mortgage to these three countries and can be called back at any time. Do they need more money? No. They have a plethora of money and loan the surplus to other countries. Do they have undeveloped areas to populate and build up?

DIFFERENCE IN INTERESTS.

Now, these are the three creditor nations to which the gentle-Now, these are the three creditor nations to which the gentle-man proposes to appeal, to which we have appealed for twenty years, without results. Has the gentleman anyhope? He discloses none—and as he proposes no remedy except with the concurrence of the leading commercial nations, what hope is there for relief from existing intolerable conditions? Does the gentleman recog-nize the difference between these countries and our own? The nations of Europe, the gold-owning nations of the world, are the gold-using nations of the world. Their communities are all built up, their populations are fixed, there is little need of development in any of these countries, and hence the accumulations of their citizens are invested in the development of other countries, in interest-bearing bonds and securities. As the owners of money, it is their interest to make accumulations. is their interest to make money more valuable, and the only way they can make it more valuable is by limiting its quantity. The easiest way of limiting its quantity is to destroy the use of one of the money metals and to throw the burden of the world's ex-

changes upon the other.

Now, then, the creditor classes of these nations were and are the owners of gold, and they succeeded in forming the gold trust when three of the greatest nations of the world—the United States, Germany, and France—had just passed through exhaust-ing wars and had contracted large war debts.

THE GOLD TRUST.

We all recognize that this is the age of combines, corners, and usts. The effort of the wealth seekers of the world has been to trusts. The effort of the wealth seekers of the world has been to accumulate some product, either natural or manufactured, which mankind universally needs or desires, and then, by limiting the production, to raise the price and clear a profit. Such have been the corners, trusts, and combines relating to sugar, iron, steel, oil, and wheat. All such combines have been successful where, the demand remaining the same, the production was limited. All have been unsuccessful where nature or man's energy has broken

the corner by increasing production.

The evidence is indisputable that prior to 1873 the greatest combine trust and corner known to history was organized in Europe. Its purpose was not only to limit the production of metallic money in the future but destroy the efficiency of half the money in the world by taking from silver its legal-tender quality and thus increase the value of the other half in the shape of gold, of which, represented either by cash or by interest-bearing gold obligations, the members of the combine were the owners. The world was the members of the combine were the owners. The world was to be deprived not only of its annual crop of money from the silver mines, but one-half of its store collected through the ages was to be destroyed.

This combine has been successful. It has moved on year after year, and induced nation after nation to abandon the use of silver. We have been for years suffering under its oppression, and yet we say that the only way to obtain relief from it is to persuade those who are interested in the combine to relax their grasp, to enter into a national conference which will restore silver. How can we expect this, when there is no community of interest between us? The action of France and Germany is dependent upon the action of England; and how does her condition contrast with our own? We think we are a very wealthy nation, and we are—in everything but money. England's wealth consists principally in money; England is a creditor nation; we are a debtor nation. England has money scattered all over the world, loaned out on England has money scattered all over the world, loaned out on interest-bearing bonds; we have no money whatever loaned to any other country. We not only utilize all the money which we own, but all we can borrow from other countries. Why should these three countries join us? Their positions are entirely different; they are creditor nations, and the United States is a debtor nation. They are interested in having money dear and products cheap. We rely upon good prices for our products to pay our debts. They have a call on us for all the money we have in our country, and have gained an advantage by our legislation which has largely enhanced the value of their gold.

Was it ever known that a debtor, by a mere conference with

Was it ever known that a debtor, by a mere conference with his creditor, induced him to forego his advantage? The only way a debtor can reduce his creditor to terms is by going into bankruptcy. Are we prepared to go into bankruptcy and to repudiate our obligations in order to bring about a successful conference

with our creditors?

What reason can we give to England for urging her to join us in restoring silver—that it will take from gold its enhanced value? Her answer will be that of her royal commission:

It must be remembered that this country is largely a country of debt; payable in gold, and any change which involves a rise in the price of commodities generally—that is to say, a diminution of the purchasing power of gold—would be to her disadvantage.

And yet they tell us that the best way of bringing these three countries to terms is for us to remain upon a gold basis. President Harrison in his annual message declared that he knew no more effectual way of promoting a more favorable sentiment to silver in Europe than by accumulating gold here; that a scarcity of gold in the European reserves would be the most persuasive argument for the use of silver there.

for the use of silver there.

In other words, we are to distress Europe by borrowing more gold of her and borrowing it substantially on call, responsive to any demand that she may make in an emergency. One is at a loss to understand how a debtor can get a creditor under his control by borrowing more money of him. We had some experience of that when the Baring Bros. failed, and during the panic of 1893, and during the Venezuelan difficulty. We begin to realize that so long as we are upon a gold basis we suffer from any financial storm that occurs in the world, and that we can not take any independent action whatever in the way of maintaining the dignity of the country or its power without England's calling for gold and driving us on the shore of insolvency.

INTERNATIONAL UNION WITH DEBTOR NATIONS

The folly of our position with reference to an international conference has been that we have thought international action unavailing unless the three great creditor nations of the world would consent, and yet their power in raising the value of silver is small as compared with that of the debtor and producing nations. What as compared with that of the debtor and producing nations. What is our problem? It is to increase the use, and in that way increase the value of silver, so as to restore the old parity. We find that the dislocation between silver and gold has given an advantage to countries that are not upon a gold basis that they are able to produce more cheaply, that their farm products are driving our products out of foreign markets, and that their manufactured products are likely to seriously and disastrously affect the manufacturers of gold-standard nations. We have, therefore, a direct interest in increasing the value of silver. We have the interest of a debtor nation. We have the interest of a nation that relies upon its exported farm products for the payment of its debts. We have a nation whose farm products have been driven down in gold price as silver has fallen, and whose manufactured products are menaced in our home markets by the products of the Orient, whose labor, always phenomenally cheap, is now twice as cheap in terms of gold. We wish to enlarge the use of silver in order to increase its value; and by the use of silver I mean the coinage of the curits value; and by the use of silver I mean the coinage of the current product of the mines, for the accumulated stock is in actual use in the various countries of the world as money, and will re-

main so.

Now, to what countries ought we to go to increase the use of silver?
To England, France, and Germany, which have a plethora of metallic money—so much so that they all loan their surplus to other countries—or such countries as Russia, Austria, Italy, Spain, Portugal, and the South American countries, all of which have a deficiency of metallic money, and all of which are compelled to keep out large amounts of uncovered paper money because of the scarcity of metallic money? If we wish to increase the use of wheat, would we go to the countries that had their granaries for the countries whose granaries were empty? Suppose England. wheat, would we go to the countries that had their granaries full, or to countries whose granaries were empty? Suppose England, France, and Germany should all open their mints to the free coinage of silver, how long would it remain in those countries? They have an abundance of metallic money. Would not this silver go speedily to other countries? Why not go directly to the countries to which it would ultimately go either by way of loans or in purchases of products and urge them to admit it to coinage?

UNCOVERED PAPER.

The financial history of the world proves that there never has The financial history of the world proves that there never has been enough of either gold or silver to satisfy its requirements for money, and so we find, according to our Mint Director's report, that the debtor countries of the world have about two thousand five hundred million dollars of uncovered paper money—paper not backed by silver or gold. Russia has \$540,000,000; Austria \$204,-000,000; Italy \$191,000,000. The South American States have \$550,000,000, and America has \$450,000,000 of uncovered paper. money, consisting of greenbacks and national-bank notes. Do not the countries which have this large amount of uncovered paper money outstanding furnish the best market for silver, and paper money outstanding furnish the best market for silver, and would not an international conference with them, resulting in the coinage of silver and the gradual retirement of the uncovered paper money, so increase the use of silver in the world as to increase its value and restore the old equilibrium, and would not we then have throughout the world the soundest kind of money, namely, gold and silver, in the place of the depreciated paper which at present exists? For recollect that not a single debtor nation in the world except the United States has been able to keep its paper at a parity with gold.

The paper of Russia, Austria, Italy, Spain, and South America is all depreciated paper. Russia has \$450,000,000 of gold, and Austria \$140,000,000. Both are desirous of going upon a gold

basis, and yet neither is able to do so. They are obliged to keep their gold locked up in their war chests, for they know if they should attempt specie resumption their gold would slip out of their boundaries like water out of a sieve. The United States is the only debtor nation that has been able to maintain its paper at a parity with gold, but how does it do it? Simply by grinding out gold bonds to the extent of \$250,000,000, and these really represent the premium that has been paid for gold redemption since 1898. Is not the argument conclusive that no producing and debtor nation can possibly keep out uncovered paper money and maintain it at a parity with gold without the issue of bonds and thus constantly increasing its national debt? And would not this very argument, if presented to the debtor nations, induce them to see that it would be to their advantage to increase the metallic base throughout the world, to increase the use of silver, and to substitute silver coin for the depreciated paper which they now have, or for the Government paper which this country has, and which it maintains at a par with gold only by the issuance of gold bonds? Had this kind of an international conference been called—a conference of the debtor and producing nations of the world as against

ference of the debtor and producing nations of the world as against the creditor nations of the world—there might have been some international results favorable to silver, but the fact is that there never has been an Executive that was favorable even to an international adjustment of this matter. International conference has simply been the club with which to beat down national adjustment of the silver question.

NATIONAL ACTION.

But, gentlemen, are we not exaggerating the difficulties of the task before us? Remember that in order to restore the price of silver throughout the world it is only necessary to absorb the current production of the mines of the world at the price of \$1.20 per ounce as against the present price of 67 cents per ounce. The accumulated stock of silver is in actual use as coined money. There is no bullion collected anywhere in the world except here, where it is constructively coined, for silver certificates and Treaspary notes have been issued against it and are in circulation as coin-

where it is constructively coined, for silver certificates and Treasury notes have been issued against it and are in circulation as coin. What, then, is the current production of the mines of the world? It is stated by our Mint Director to be about 150,000,000 ounces, of the actual value of about \$100,000,000 and of a coinage value of about \$200,000,000. All this product is at present absorbed at the existing price of 67 cents per ounce.

To what extent can this country use silver? At present it uses none of the current product of the mines, but throws its entire production of 50,000,000 ounces, being one-third of the total production, upon the markets of the world. It is clear that we can not get along without maintaining the present per capita of circulation, namely, about \$25 per head, counting both the paper and metallic money. Our population is increasing at the rate of 2,000,000 per annum, and we therefore require \$50,000,000 per annum of new money to maintain our present per capita. Of course, our banks say they will supply this if we will give them the power, 2,000,000 per annum, and we therefore require \$50,000,000 per annum of new money to maintain our present per capita. Of course, our banks say they will supply this if we will give them the power, but it will not be given. If the Government can not keep its greenbacks at par with gold without issuing bonds, how can the banks keep their paper money at par without similar loss? For if the greenbacks are retired and the balance of trade remains against us, as it certainly will with the present price of farm products, governed as this price is by the low price of silver, the strain of gold payments would fall upon the banks, and they would be subjected to a double strain—that of their note holders and that of their depositors. They could not possibly maintain gold redemption, and paper money would not be issued or if issued would not be redeemed.

We certainly can not get enough gold, for England, France, and Germany require one-half of the gold of the world for local use, and the rest of the world can only get the other half, and our proportional part is small and constantly diminishing, therefore compelled to use silver.

But \$25 per capita is not sufficient. We ought to have at least

But \$25 per capita is not sufficient. We ought to have at least \$30 per capita, for we need more money than any other country in the world, as we have a great country to build up and enormous resources to develop. If we should conclude to gradually increase our per capita to \$30, which is \$10 less than that of France, we would have to coin \$70,000,000 per annum for five years.

But the uncovered paper money of this country should also be retired. It consists of greenbacks and national-bank notes, and aggregates, after deducting the \$100,000,000 of gold reserve in the Treasury, about \$450,000,000. It will take \$90,000,000 per annum for five years to take the place of these notes as they are gradually retired. We would thus have the following annual demand for five years at least: five years at least:

Will any man contend that with a present silver production of \$200,000,000 coinage value which is entirely absorbed in current uses an increased demand for \$210,000,000 of new money will not restore the old value of \$1.29 per ounce, and with it restore the value of our farm products and other property which, measured in gold, have depreciated nearly 50 per cent in the last decade? I insist that a demand for even one-third of this amount would restore the old value. Yet we can in this country alone, without inflation of our currency create a demand country to the order. inflation of our currency, create a demand equal to the entire present current product of the mines of the world, which product is now entirely absorbed by uses other than our own.

INCREASED PRODUCTION.

But the timid say production will increase as the price advances. No man can, of course, predict what the production will amount to. If the world, struggling through the ages in its search for silver, has been able to accumulate a cube of 66 feet, filling a space only half the size of this Hall, it is safe to say that though search be stimulated effort will not always be attended by reward. The increased output of the mines has always resulted in the advance of civilization and prosperity with the sole exception of the last twenty years, when its beneficent effects have been blocked by unwise legislation.

It should be remembered also that should production unduly

It should be remembered also that should production unduly increase it would be entirely practical to restrain production either by laws imposing a tax upon it, which would increase its labor cost, or by withdrawing mineral lands from private entry. The existing silver mines in hands of private owners will soon be exhausted, as the deserted mining camps once maintaining large populations testify everywhere in the West. Two-thirds of the silver of the world is produced by the United States and Mexico. These two countries own almost all the mines of the future, and should production be unrestrained, as some, without any good reason, fear, they could unite in a policy which would restore Government monopoly in mines with a view to limiting production. Thus the stores of the future would not be unduly drawn upon for the present, and a calm and equal production drawn upon for the present, and a calm and equal production of silver commensurate with its use could be established and

of silver commensurate with its use could be established and secured.

But, say our opponents, the existing silver coin of the world would drift to this country. The fear is absurd and I will not waste time in arguing about it. I can only say that if it has any lodgment in the legislative mind it is easy to provide against it by legislation admitting to our mints only the current product of the mines. A system of proof directly from the mine to the mint could be devised which would prevent fraud and which would compel foreign countries to retain the silver they now have in actual use as coin instead of sending it to this country at a loss, as the promulgators of this absurd fear proclaim.

But my time is too limited to permit a thorough consideration of this subject. I can only call the attention of the House to this fact, that whilst the gentlemen from Maine admits the evils of gold monometallism, he claims that bimetallism is impossible without the concurrence of the leading commercial powers. He thus closes the door to hope, for whilst I can conceive of a union of the debtor and producing nations of the world, I can conceive of no union into which the great nations owning all the gold of the world and interested in its appreciation will enter save upon terms that will be practically destructive of bimetallism as we understand it. During all these years had we an Executive who was an earnest and true friend of bimetallism an international adjustment would have been secured through a union of the debtor and producing nations of the world. But as it is, we are asked to suffer until the creditor nations conclude to be generous and to yield an advantage never before secured in the history of the world.

IMMEDIATE ACTION.

Believing, therefore, that our difficulties are entirely due to the appreciation of gold and that such appreciation can only be stopped by restoring its only competitor—silver; that this country is great and powerful enough to create such a use for silver as to restore its old value, and that with the restoration in value of every ounce of silver the value of every unit of property, whether it be a bushel of wheat or a pound of cotton or an acre of farm land, will be restored. I am for the immediate action of this country alone without waiting for the action of any other country. I believe that the best way of preventing the export of gold is to I believe that the best way of preventing the export of gold is to obtain a favorable balance of trade, and I know of only one way of doing that, and that is to restore the value of our exportable products by raising the gold price of silver and thus diminish the efficiency of the silver-standard countries which export in competition with us. Bond bills and bankruptcy bills are recognitions of the serious condition of our affairs. A silver bill presents the only radical cure for the evils of gold exports and the gold Tariff Reform and Free Coinage.

SPEECH

HON. JOSEPH M. KENDALL.

OF KENTUCKY,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, January 7, 1896,

On the bill (H. R. 2004) to maintain and protect the coin redemption fund and to authorize the issue of certificates of indebtedness to meet temporary deficiencies of revenue.

Mr. KENDALL said:

deficiencies of revenue.

Mr. KENDALL said:

Mr. Speaker: The fact that our bonded indebtedness has increased recently, in a period of profound peace, indicates to my mind that there is something radically wrong with our systems of finance and taxation, and that the coin redemption fund can be best protected by beginning at the foundation. I purpose addressing myself to these two issues, not with any hope of converting my colleagues here, not with any hope of throwing new light upon these problems, but rather to emphasize my position, which, it seems to me, is the position of the dominant element of the district which sent me here, and who feel a deep solicitude in the result of our legislative labors. Although an ardent member of the political party to which I belong, I am willing to meet those who differ with me on conservative ground, and if necessary to place country before party in the solution of these problems.

The tariff, as a much mooted question, consists of three most important branches: First, a tariff that has for its purpose the protection of monopolies; second, a tariff that has for its principal object the accumulation of the largest amount of moneys for sustaining the Government, economically administered, at the smallest expense to the whole bulk of citizenship, and third, free trade, which would necessitate our obtaining the public revenues by direct taxation. The first-mentioned division means oppression: the second common sense, and the third is impracticable. The tariff has unceasingly been one of the momentous points of difference with which our lawmakers have been compelled to deal, and, excluding eras of extraordinary turmoil, it has at all times engaged the larger portion of attention. Upon it has been, as a concern of consequence, centered the most brilliant intellects of this century. However, limited time as well as information will preclude my tracing minutely the progress made and the policy pursued by other commonwealths and kingdoms in the periods that clude my tracing minutely the progress made and the policy pur-sued by other commonwealths and kingdoms in the periods that

are past.

I shall be contented with confining myself in a desultory and superficial way to our own country. Here it has been a momentous issue since our earliest period of republican existence. It was the father of the Revolution and the mother that nursed the present Republican party in its infancy. An excise upon tea which the father of the Revolution and the mother that nursed the present Republican party in its infancy. An excise upon tea which they considered exorbitant marked the commencement of that war in the configuration of the Boston tea party. It was the central, pinnacle point in controversy with which our statesmen were compelled to grapple during that long period of our country's history previous to the paramount ascendency exercised upon the public understanding by the vexed question of human servitude that for a time dwarfed all others and in comparison with which all others were forgotten. Calhoun and Webster at distinct times were arrayed upon antagonistic sides, seemingly shifting as if by contract to opposite positions. Webster's oration in opposition to protection is universally pronounced a masterpiece of statesmanly declamation upon this important topic of economic legislation. Henry Clay countenanced what was called the American system, but he sagaciously, sincerely, and conscientiously said that the consideration that impelled him to appeal for the manufacturers was because they were at that time in their inthe manufacturers was because they were at that time in their infancy. Were he with us to-day we can readily imagine his assault-

the manufacturers was because they were at that time in their infancy. Were he with us to-day we can readily imagine his assaulting the foul fabric with all-prevailing cogency and completely pulling it to pieces as an eagle would a helpless, gorged snake.

Senator Sherman apprised the manufacturers of Chicago as long ago as 1880 in a public address that they competed with the cotton market in Manchester, with the iron in Birmingham, and that they sold cutlery in Sheffield cheaper than they could sell it who manufactured a similar article. And yet the hungry protectionists are continually complaining and demanding more. In the name of common sense and common fairness, just meditate on this fact for one moment—that our manufacturers could make cotton goods even then, sixteen years ago, ship them to Manchester, that celebrated city, constituting as it does the center of that far-famed English cotton region, and sell against them in their very teeth; that we could manufacture plows, hoes, reapers, and all the implements of tillage, take them across the broad Atlantic and sell in opposition to Birmingham, and our cutlery to Sheffield and undersell at home those who are the most extensive cutlery makers in the world. Despite all this we are told that the

American people are in favor of still higher protection, and that the present Congress will be asked to give it. In the name of this bright day what are we to expect next? The English language is inadequate to characterize the absurd injustice of this demand, and I will not undertake to do so. Ineffaceably was victory imprinted upon the copious folds of our unmarred banner when our political antagonists chose the cause of the manufacturing monopolitical antagonists chose the cause of the manufacturing which

political autagonists chose the cause of the manufacturing monopolist and championed that crowning atrocity of party policy which has nearly eliminated our starred ensign from the oceans and seas, and which has, by the vile exploits of partisan legerdemain, poured the residue wealth of the producing class of this country into the pockets of a few pride-swollen protection monopolies.

The interest of the farmer and the manufacturer are inimical in nature and character. The Democratic party, discerning the obvious fact that the farmers of this country constitute an overwhelming majority of her citizens, and consequently that they could combine and not only take away from the manufacturing interests the advantages they now enjoy, but could demand and obtain protection for themselves, and in so doing win tribute instead of rendering it, as they have been doing—comprehending all this, my party desists from simulating the demagogue and asseverates its intention of shielding the agricultural, manufacturing, and ming avocations in, as near as is feasible, an even-handed, conscientious proportion, assessing the heaviest imposts upon luxuries and tious proportion, assessing the heaviest imposts upon luxuries and those commodities which will, without consideration as to class, yield our country's coffers the largest aggregate revenue, believing, as we do, that if the Republic would be equitable to individuals she has but to be sincere with herself. The Republican party's conception of protection, as disclosed by their sickening, saddening legislation in that direction, tends to turn aside toil from its essential and interested channels and promotes interminable dissension between those who covet it upon the one hand and those who refuse to render it upon the other, bearing, as it does, behind its perfidious mask the false-hearted specter of individual injustice. There is not a single product cultivated by our farmers—and yet we are all citizens of the great Republic—that ever had conferred upon it the overruling vantage ground of ample protection. The tious proportion, assessing the heaviest imposts upon luxuries and

There is not a single product cultivated by our farmers—and yet we are all citizens of the great Republic—that ever had conferred upon it the overruling vantage ground of ample protection. The vindicators of this balky system bring forward the argument that agriculture is overstrong in this country, and that consequently these other callings ought to be in this way encouraged. In refutation to that chain of reasoning I will simply remark that if a strict revenue duty after this lengthened period is not adequate to develop our manufacturing industries to the level of that preponderating position which farming has always occupied in America until recently and in spite of the discriminating laws against it in comparison with the world, then it is my candid judgment that the wealthy monopolist had best get rid of his immense plants, his majestic mansions, his elegant and superb attendant finery, and with the proceeds purchase a small tract of land and go to farming. Let him try it a while. But, seriously, it is despotically tyrannical, it is inconsistent with the teachings of political economy, and contrary to the foundation principles that underlie our system of free government that the impoverished farmer, either directly or indirectly, should divide his meager earnings with the already overopulent protected manufacturer. The controversy squarely presented to the people is, Whether the farmers of this country must continue forever serfs? Must this mothlike meanness endure that has continued so long? Will this path of iniquity never end? If the farmer would act in accordance with the manner in which he himself has at all times been treated by the lawmakers under corporate control, he would not only take the present protection off to an exact revenue basis, but in many instances he would remove it all and compel them to disgorge, placing it, if possible, upon agricultural productions alone, and in that way force these gentlemen to pay tribute to him for a hundred years.

A revenue tariff of the exact aggregate that

him for a hundred years.

A revenue tariff of the exact aggregate that will not especially invite and at the same time will not turn aside foreign commodi-A revenue tarit of the exact aggregate that will not especially invite and at the same time will not turn aside foreign commodities is all the protection any conscientiously disposed individual ought to countenance or crave, and all that any citizen of common sense and a respectable self-interest ought to concede or suffer. The Democratic organization never did nor never will believe in levying an assessment upon the whole bulk of citizenship for the purpose of bestowing a bounty upon a few bloated monopolies. There is not a patrictic American citizen who possesses an affection for his country's colors and exalts in her touching triumphs but what is willing to pay revenue to support this Government, but there should not be one who is willing to pet and pamper a privileged class who are abler to protect him than he is to protect them. If we have a law protecting the monopolist for the benefit of the workingman, as many argue, we ought at the same time give legislative sanction to a statute compelling him to directly divide the emolument derived with the man who toils the whole day long and for whose make they feign to desire so much done. If the munificent magnanimity of any class of my fellow-countrymen conferred a bounty upon the business in which I was employed for my own particular profit, I would want it presented to myself, and not to another for me. Some people never grow weary insisting that there are certain Democrats who vindicate protection. The position of any true Democrat who petitions for protection ought to be, and I presume nearly always is, founded upon the postulate that while others are protected he ought to be also, and the attitude of Democrats with reference to internal improvements and Rederal aid to the cause of education by the General Government is based around the same chain of reserving.

If this country could realize the accurate construction of the conception of a tariff for revenue with incidental protection the national obligations could be canceled in one-fourth the time without pauperizing one interest while pampering another.

When from the wisdom and philosophy of unfathomable events, and when from the wholes events are also found to the country to the co When from the wisdom and philosophy of unfathomable events, and when from the honest, ennobling impulses of our leaders and the mistaken motives of our adversaries the tariff question became paramount in importance to all others, the gray-haired fathers who had observed and were conversant with the history of past contests upon important issues that had shaped the political revolutions that had gone before comprehended that this would be our deliverer—that it was the cord that insured an unsectionable though in all anotherility wenter success. The would be our deliverer—that it was the cord that insured an unquestionable, though in all probability remote success. The stars have already began singing upon our streamers for the next national combat, and the glory of tariff reform and the free coinage of silver is blazoning on the sky. From their distant ramparts you will hear the tread of our countless thousands and tremble, for defeat, dejection, and great darkness will encompass your standard and you will flout the air with a white banner. "Unconditional surrender," "tariff reform," and "free coinage" of gold and silver are our demands, and to these they will come when we make the grand, conclusive charge. Let every younteer polish his helmet, armor, sword, and shield, symbols, we might say, of zeal, assiduity, heroism, and honor, that when the din of party strife has come and gone next November a gallant array of grateful, proud, and happy hearts can cluster around the new-won prize and with calm transport have our chosen President, who believes in these great principles of tariff reform and free coinage, as did Thomas Jefferson and Andrew Jackson in the brave days of old, with new-felt inspiration to America, the waters, and the world, "a revenue tariff" and the equality of both metals" forever.

The currency question is confessedly the foremost political issue of to-day. As a member of the Banking and Currency Committee of the Sifty economy Committee.

The currency question is confessedly the foremost political issue of to-day. As a member of the Banking and Currency Committee of the fifty-second Congress when the Cate bill was pending I took a firm stand against the repeal of the Sherman Act. We were told that its repeal would be followed by an era of great prosperity. After a long struggle it was repealed, but the promised prosperity did not come. I concurred in the opinion of a majority of Democratic Senators then that the absence of a substitute was a great mistake—I will not say an additional wrong. When it was finally accomplished, not in the Fifty-second Congress but sub-reconculty. I feared that it was a financial abortion performed by the Administration's doctor, that might cost the Democratic party its life. As a matter of course I do not expect the successor of that Congress, many of the members of which voted for the result of peal, to concur with me in this opinion. In the report from the Banking and Currency Committee of the Fifty-second Congress

will be found the following:

CIRCULATION OF NATIONAL BANKS-VIEWS OF MR. KENDALL.

Mr. Kendall, from the Committee on Banking and Currency, submitted the following views:

The fact has been conclusively demonstrated from official figures that the price of wheat and cotton, which constitute our most important exports, have followed the fluctuating price of silver as a logical result, except under abnormal conditions brought about by speculation or short crops, ever since silver was demonstrated in 1978.

Without stopping to present additional facts or to discuss other far-reaching propositions of doubtful wisdom and expediency involved in the passage of this bill, the undersigned enters his respectful protest against the repeal of what is commonly known as the purchasing clause of the Sherman Act of July 14, 1890, which authorises the purchase by the Secretary of the Treasury of 54,000,000 onness of silver buillion per sanum, unaccompanied by an adequate substitute enactment by which silver is, at the same time, rehabilitated to the position of absolute, constitutional parity with gold, at the present ratio, given to it by the fathers and holden for the eighty-one years prior to its claudestine degradation nearly twenty years ago.

Notering has happened since to change my opinion expressed

Sir, nothing has happened since to change my opinion expressed at that time. It was a blow at one-half of the metallic currency of this country from which it will not soon recover. In that same Congress I submitted some remarks upon this subject, in which

It matters not what political party has the President and Congress, so long as a high protective tariff and a contraction of the currency obtain (both maddled upon the American people by the Republican party) just as long will the poor people of this country continue to complain and suffer.

Subsequent to this speech the following editorial appeared in the Morgan County Messenger, published at West Liberty, Ky., the Gibraltar of Democracy in eastern Kentucky. I will ask the Clerk to read. The Clerk read as follows:

KENDALL OF KENTUCKY.

Under the above headline the New York Tribune, in about a column, makes an assault on our Congressman's recent speech on the silver question, a portion of which appeared in the Messenger last week. Judging by the extended

comment by as notable a journal as the Tribune, the young man has "struck the bull's-eye and rung the bell." The Tribune starts out by trying to consider it "very funny" that Robert Burns or anyhody else should feel humiliated by seeing his home taken from him by some foreign landlord. This is not strange when we consider the fact that the men who read and patronize the Tribune have already, as indicated by Mr. KENDALL, taken possession of Kansas, and are to-day covering with the shadow of their mortgages the homes of Kentucky. It will be very funny, indeed, when they own Kentucky as they already possess Kansas, which Mr. KENDALL claims is only a matter of time under our present financial system. This great paper seems to think it also "very funny" that Mr. KENDALL chould imagine that the stars in their courses are fighting the battles of the poor, plain people.

The Tribune seems to be unable to appreciate the fact that that class of citizens called "the poor, plain people" by Mr. KENDALL are entitled to any consideration, and the natural inference is that they should be thankful it is no worse with them; and finally it strikes this great editor of the Tribune, the Hon. Whitelsaw Reid, the nominee of the Republican party for the Vice-Presidency of the United States, as being very funny that a considerable number of Kentuckisms ride on horselack, and compares such persons to the vagrants who sit around on the park benches in New York. This great paper, as a matter of course, refers to Kentucky's course in the civil war of some thirty-odd years ago, and ventures the hope that the people who are being robbed will not call the same kind of a halt as they did then. Continning robbed will not call the same kind of a halt as they did then. Continuing to be some tall "camping in the saddle" all over this great country, and Kentucky will be in the future, as she has been in the past, the vanguard of the Democratic column. As KENDALL as reported or topler, the horns with the hide.

Mr. KENDALL. Sir, in the Presidential election that followed the prophecy of this rural journalist was literally fulfilled. But the legitimate fruits of that great victory won by the people has

Sir, one of the best solutions of this currency problem to which my attention has been called seems to me to be that offered by Senator Jones of Arkansas, on which I am advised a report will be submitted by him at an early day. I have not the bill before me, but I understand that the bill authorizes and directs the Secretary of the Treasury to receive at any United States mint from any citizen silver bullion of standard fineness, and coin the same into silver dollars of 412½ grains each; the seigniorage on the bullion to belong to the Government and to be the difference between the ceipene replaced the market price of the bullion of the department and the ceipeness which are the desired to be the definition of the ceipeness which are the desired to be the definition of the ceipeness which are the desired to be the definition of the ceipeness which are the desired to be the definition of the ceipeness which are the ceipeness and the ceipeness that the ceipeness are the ceipeness and the ceipeness are the ceipeness are the ceipeness are the ceipeness and the ceipeness are the ceipeness ar the coinage value and the market price of the bullion on the day the deposit is made, all expenditures for coinage to be paid out of the seigniorage, and the depositors of the bullion to receive stand-ard silver dollars equal in amount to the price of the bullion from the Secretary of the Treasury, certificates to be issued on these coins in the manner now provided by law whenever the coins shall be received into the Treasury.

coins in the manner now provided by law whenever the coins shall be received into the Treasury.

This is the bill in substance, and while I hesitate to commit myself to its provisions irrevocably, it seems to me to offer a just solution on which all shades of difference can meet and unite. It disposes of the "fifty-cent-dollar" argument, which is about all there is in the gold-standard stock in trade. Under its provisions we would pay the mine owner what his silver was actually worth, and no more. No one could object to this. The United States Government would receive the exact amount of the enhanced value its stamp gave the coin. This seems to me to be reasonable and fair. The other provisions are not material. To my mind there is only one way to maintain the parity between gold and silver, and that is to make them equal under the law. I am as strongly in favor of gold as I am of silver, but gold needs no advocate on this floor. She is able to employ her own advocates. The whole case in a nutshell appears to be this: The East wants gold, the West and South want gold and silver, and candidates for the Presidency whichever will gain the coveted prize. In my judgment, no man who is in favor of the gold standard—who justifies the demonetization act of 1873—will again be elected President. dent.

It would be a calamity indeed. I never worry about this battle of the standards. I know the citizens of this country will in the end even up legislation. I do not believe in any financial scheme which confers upon private individuals the power to issue money. I do not believe it is either wise or just for the Government to become surety for the promissory notes of a bank or any other corporation. It is impossible to make gold, silver, and paper of equal intrinsic value by law, but the stamp of the Government has never failed to make them of equal exchangeable value. It is the volume of money, and not what it is made of, that establishes the rice of a commodify. It goes without saving that in many see volume of money, and not what it is made of, that establishes the price of a commodity. It goes without saying that in many sections of this country there is not enough money in circulation to give the people a decent burial. In all such places the restoration of silver is a vital political issue and at the same time a fundamental Democratic truth. Kentucky's position on this question will be found in the fourth resolution of the platform of the convention which nominated John Young Brown for governor of Kentucky, and he was elected by more than 25,000 majority:

Fourth. Recognizing the fact that the United States is the greatest silverproducing country in the world, and that both gold and silver were equally
the money of the Constitution from the beginning of the Republic until the
hoatile and fraudvlent legislation of the Republican party against silver,
which unduly contracted the circulating medium of the country, and feeling
that the great interests of the people demand more money for use in the channels of trade and commerce, we tender our gratitude to the Democrats in the

last Congress for their nearly unanimous votes in both Houses in favor of the free coinage of silver, and demand its restoration to the position of equality before the law given to it by our fathers.

Such is the voice of Kentucky, spoken in the biggest conven-Such is the voice of Kentucky, spoken in the biggest convention perhaps that ever came together within her borders. Our State has written more platforms for the party of the country than any other. Her voice is the voice of the old simon-pure, unadulterated Democracy, and the voice of true Democracy is the voice of God always and everywhere. In this good year of grace her voice will be potent, and I believe she will stand with Illinois and Georgia rather than with Massachusetts and the national banking associations. Although I deprecate any sectional view of this question, and am more than willing to meet on middle ground these advocates of a gold standard, I am in favor of settling all our factional controversies inside the party lines. The balance of the country must regulate the bondholders and the mine owners, and for one I am willing to unite in a conservative but deterand for one I am willing to unite in a conservative but determined effort to do it. The undertaking to keep this coin redemption fund at \$100,000,000 reminds me of those persons in heathen mythology who, we are told, from one cause or another, were sentenced to the continued toil of filling with nectar vessels which had no bottom. We simply demand as a remedy for this hopeless task the gold and silver money invented by Jefferson, when he said:

The mint should stand on both metals

and of Daniel Webster, who said:

I am certainly of opinion that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country, and that neither Congress nor any State has authority to establish any other standard or to displace this standard.

This day could be consumed in citing authorities like the above, than whom there are no higher. It fatigues me to hear so much talk about the position of certain prominent members of my party on this question. We believe in majority rule. In his letter of acceptance of the Presidential nomination Mr. Cleveland said

The wants of our people arising from the deficiency or imperfect distribu-tion of money circulation ought to be fully and honestly recognized and effi-ciently remedied.

tion of money circulation ought to be fully and honestly recognized and efficiently remedied.

What has he done in an official capacity to bring about this remedy? In this I heartly concur, and whoever holds different, in my judgment, in the next Presidential election and pledges himself to carry it out may as well hang his harp on the willow. The country is already crowded with able statesmen whose people have revoked their commissions, and I am afraid that the demand for Federal appointments for these gentlemen will surpass the supply. There is no denying the fact of history that since a very early period of its existence until quite recently the Democratic party has consistently and unbrokenly upheld the principle of free bimetallic coinage, or, in other words, the equality under the law of gold and silver. Before the bimetallic colors, which are the true colors of Democracy, are lost, a disinherited knight will ride from the ranks of the common people and rescue it. In their despair they are looking now as they never looked before for a savior who will cast the money changers out of the public temple and restore the principles which Jefferson taught and Jackson practiced. By sad experience, by the death of many prosperous industries, and the impoverishment of the great bulk of citizenship this country has learned that the Republican party is not the proper doctor to cure our financial troubles. Every thinking, well-read man engaged in business outside the cities west of this capital, knows that the volume of our money ought to be and must be expanded to double the present actual circulation per capita. Reports to the contrary notwithstanding, I believe the masses of the East are in unison with the West and South on this subject of bimetallism.

When you leave the avaricious and polluting shadow of the bimetallism.

when you leave the avaricious and polluting shadow of the money centers and their agents, those people are not, I am credibly informed, in favor of a gold standard singly. That sentiment is confined to the bankers, bondholders, and mortgagees of the money centers who are frightened, as well they may be, at the oncoming spokesmen of the middle class clamoring for honest money and more of it. I believe New York State can be carried on a bimetallic platform. Look at Indiana. In that fair State under the leadership of Senator VOORHEES on this issue and this same almost almo under the leadership of Senator Voorhees on this issue and this issue almost alone, and always with an increasing majority in her legislatures, have the sovereign people of that State registered their decree in favor of silver equality. Personally, I am neither a repudiator nor an inflationist, but I have always been in favor of making gold and silver dollars so long as we have an ounce of the metal and the molds do not get too hot. It has always been the lack of silver that afflicted my people, and a similar condition elsewhere seems to have almost become an epidemic. It has finally in a few instances reached members of Congress. Recently I have not given that study and reflection to this subject which I I have not given that study and reflection to this subject which would have liked. I have certain theories, as much, perhaps, the result of enthusiasm and observation of conditions as of thought, but they have never reached the dignity of established conviction except that I am firmly persuaded that silver is the money of the people, rich and poor alike; that it is the money of the Constitution

and ought to have a free and even fight with gold at the mints, and I am as strongly in favor of the one metal as I am of the other. Trimmers after Presidential nominations seem to me to be the only gentlemen who are afraid to take the bovine of Wall street by the horns. But these gentlemen might as well understand or remember that the moneyed class does not furnish the President. He hails from another quarter. He must wear the spur and belt of an entirely different order. Upon this question the majority of the American voters have made up their minds and, in my judgment, it is useless to trifle with them any longer. Hereafter the candidate who opposes an extension of the currency by championing less money will secure less votes. No true, patriotic statesman can oppose or evade the issue. I am not one of those gentlemen who hold that "16 to 1" is a God-given ratio. I am not a stickler on this subject of ratios. I have said time and again that I would as soon have it 15½ to 1 as 16 to 1.

There are other questions I would gladly discuss, but time will not permit, and these two questions are the most important. I trust, however, I may be permitted to say that the income tax, although it miscarried in the Supreme Court, will always stand as a monument of Democratic fidelity to the people, and to express the opinion that, in my judgment, there would be fewer millionaires in the United States Senate if they were elected by a direct vote of the people.

Tariff reform and free coinage are the two living Democratic

in the United States Senate if they were elected by a direct vote of the people.

Tariff reform and free coinage are the two living Democratic issues—twin stars in the political galaxy of principles—upon which we understand we are agreed to stand or fall together, and our urgings along these two lines will not cease until the wrongs which now exist shall have been adjusted. These are the words which will be inscribed upon every banner that leads the people in the coming contest for the Presidency and the control of the next Congress. I would rather see my party fall upon these two issues by advocating them bravely and openly than to try to win by straddling them. Our constituents are not to be misled by any side issues. These are the two questions you will settle, and, though it may not be done, let us hope that they will be settled decisively and for some time to come.

That your tax system and money system are wrong can not be successfully denied. The man who utters a different opinion is either misled or insincere or both, and will not be followed. The campaign orators may undertake to uphold or defend them, or try to create a stampede in another direction, but they know as well as you do that these two questions must be adjusted in a spirit of fairness in the coming contest, or the days of the political party that shuns it are numbered.

Sir, although the son of a prophet is not necessarily a prophet, and the indications at this time are not propriet.

Sir, although the son of a prophet is not necessarily a prophet, and the indications at this time are not propitious, I venture the prediction that the next President of this country will be a Democrat who believes in tariff reform and the equal coinage of gold and silver. I am one of those who hold that everybody is wiser than anybody, and I confidently appeal to that excellent middle class who are at once the safety, the bulwark, and the glory of the old Republic.

State Governments in the South under Republicans.

SPEECH

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 11, 1896.

Mr. WHEELER said:
Mr. SPEAKER: To forcibly illustrate the great evils which would befall any State of the South in the event of its falling into the hands of persons who control a party which is opposed to the Democratic party, I give below the debts of ten Southern States before the war, and in a parallel column the debts of those same States after they had been subjected to the domination of opponents to the Democratic party during a period of between four and five years. It is as follows:

State.	Before the war.	In July, 1872.
Alabama Arkansas Florida Georgia Louisiana Mississippi North Carolina South Carolina Texas Virginia	\$7,945,000 2,184,179 570,617 2,670,750 11,000,000 None. 12,689,245 4,407,958 2,000,000 -36,248,141	\$52, 761, 917 19, 398, 000 15, 797, 587 42, 500, 500 40, 021, 73 1, 697, 431 34, 887, 464 22, 480, 490 47, 090, 806
Total	76, 415, 890	291, 626, 01 5 -215, 210, 125

I desire to call attention to the fact that at that time, 1872-

Making the greater indebtedness of the South than all the rest of the Union.....

Two years ago some misguided Democrats of the gallant old State of North Carolina were induced to join the Republicans in opposition to the party which had been their defense and bulwark for twenty years

for twenty years.

They were abundantly warned of the probable effect of their action. The Democratic party placed before them the fearful crimes and frauds committed by the Republicans when they had control of that State. The following table which I have prepared shows at a glance, first, that the Republicans taxed the people three times as heavily as the Democrats; second, that the Republicans spent on the legislature eight times as much as the Democrats; third, that Republicans did nothing for the public schools, while the Democrats provided means for the education of all the children of the State: all the children of the State:

THE RATE OF TAXATION.

In	1860;	Republican.	80 cents on \$100.
			314 cents on \$100.
In	1875,	Democratic,	294 cents on \$100.
			28 cents on \$100.
			25 cents on \$100.
V	1004	Theme was a him	man of the firm and

COST OF LEGISLATURE.	
Of 1868, Republican	\$430,958
Of 1870, Democratic	212, 893
Of 1872, Democratic	169,396
Of 1874, Democratic	109, 234
Of 1876, Democratic.	81, 823
Of 1881, Democratic	56, 259
Of 1883, Democratic	57, 478
	91, 210
PADEMDED BOD COMMON SCHOOLS	

EXPENDED FOR COMMON SCHOOLS.	
Year ending in 1860, Republican	Nothing.
Year ending in 1870, Republican	
Year ending in 1877, Democratic	
Year ending in 1878, Democratic	
Year ending in 1880, Democratic	352,882
Year ending in 1881, Democratic	
Year ending in 1882, Democratic.	509, 736
Year ending in 1883, Democratic	725,000

In 1894 these misguided Democrats by aiding the Republicans placed the opponents of the Democrats in power in North Carolina, and they immediately commenced the criminal profligacy which characterized them when they were in power a quarter of a century ago. In corroboration of this assertion I give an extract from a letter from the Hon. Elias Carr, governor of North Carolina, dated June, 1896, in which he states some of the atrocious actions of these enemies of the people.

Governor Carr states that this fusion party-

1. Increased taxation from 411 to 43.-cents on the \$100 worth of property; increased expenses for 1895 over \$140.000.
2. It passed an election law that only allows five days for registration.
3. It turned out a one-legged Confederate soldier as doorkeeper and put in a burly, black negro, Abe Middleton by name, in his place.
4. It created over 3,600 new offices in order to fill them with partisans and get control of the county machinery. I think the true number was about 5,000. 5. The statement in regard to the appointment of 100 negro magistrates is

5. The statement in regard to the appointment of 100 negro magistrates is practically correct.

6. Its crowning infamy was in refusing to adjourn in honor of Gen. Robert E. Lee, which was a public holiday under the laws of this State, and they did adjourn in honor of the miscegenationist, Fred Douglass.

They grabbed at every little office and did everything in their power to change the laws, and were so ignorant in their management that their own supreme court has in every case except one decided in favor of the incumbent. They sought to turn men out of office who had been elected for four

years and only served two. They tried to place the railroad property of the State in the hands of known rascals and would thereby have confiscated the best interest the State possesses. They put a judge on the beach who was not legally elected. Created a western and eastern court circuit, which was not needed, and under Democratic rule the judges of the superior courts had done work satisfactorily and with dispatch.

The new election law, while professing to be in favor of a free ballot and fair count, places in the hands of the C.S. C. a chance for unlimited fraud.

Yours, very truly,

ELIAS CARR, Governor.

When the Republicans controlled Alabama prior to 1874 they attempted to force negroes into the public schools, hotels, and churches, and did everything they could to humiliate and degrade white people. That they would be even more extreme if again intrusted with power, there can be but little doubt. Mr. Goodwyn, their candidate for governor, has already given abundant proof that he would be a willing tool in the hands of the people whom he asked to elect him to office. Mr. Goodwyn was sworn in as a member of Congress on April 22. He almost immediately left Washington, but when he returned he voted with the Republicans and against the Democrats on every occasion on which I find his

on May 29, pages 5914 and 5915, he voted with the extreme Republicans and against the Populists and Democrats to put Stokes, a Tillman silver Democrat, out of Congress, and put in an extreme

a Tiliman silver Deniocias, out of gold-bug Republican.

He voted the same way on the same case on June 1, page 5952.

On June 4, pages 6110 and 6111, GOODWYN voted to unseat Colonel Elliott, son of Bishop Elliott, and a most accomplished and distinguished member of Congress, and put in his place a negro who can extreme Republican, an earnest gold-standard man, bitterly in the constant of the contraction of t

opposed to silver coinage and to every principle espoused by the Populists or People's Party.

On June 5, pages 6166 and 6167, he voted to unseat a silver Democrat, Lockhart, and put in his place Martin, a goldbug Rapublican. Republican.

On June 9, pages 6329, 6353, and 6354, he voted to unseat a silver Democrat and superb cultured gentleman, Underwood, and put in his place a goldbug Republican, Aldrich.

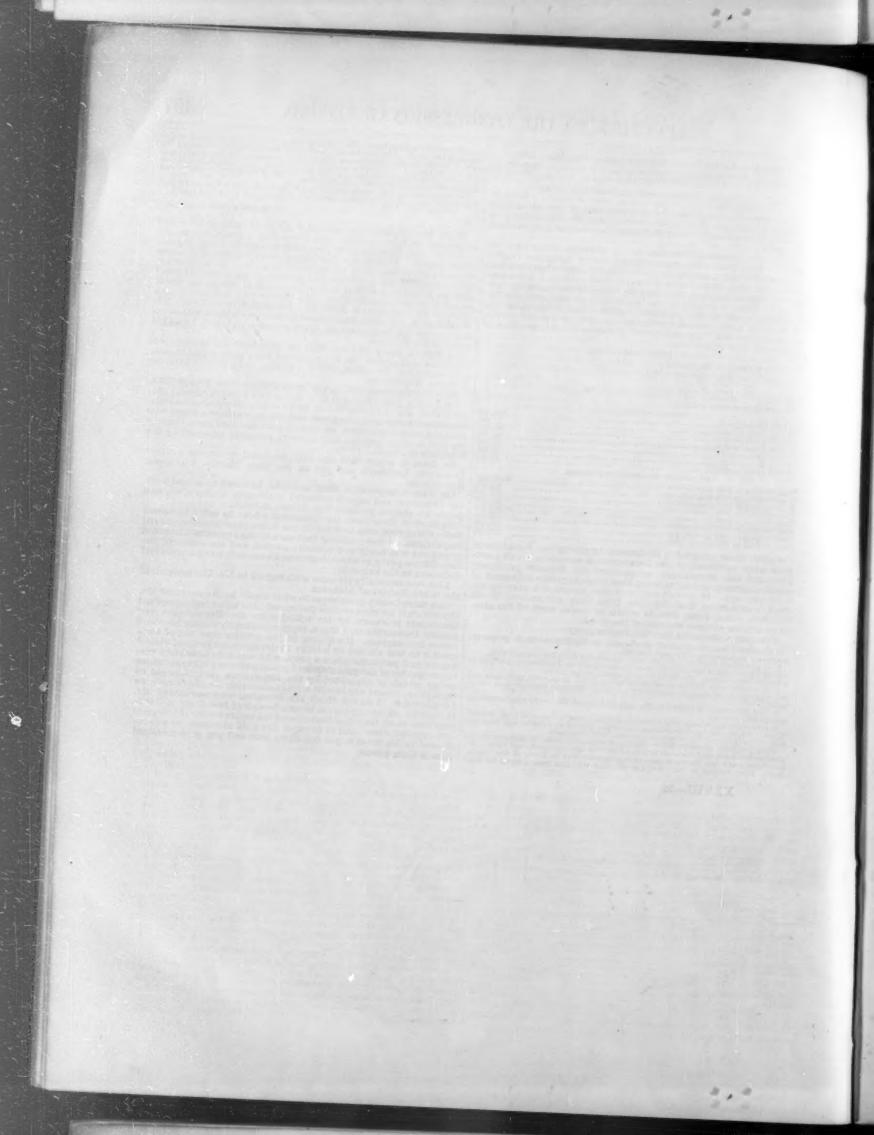
In most of these cases the Democrat whom he voted to unseat was a silver man, and he voted to put in his place a gold-standard

Republican. I feel confident that each of the Democrats he voted to put out was fairly and honestly elected, and the action of the Republican party in unseating these Democrats was partisan and dishonest in the extreme.

This was especially the case with regard to Mr. Underwood, of the Ninth district of Alabama.

the Ninth district of Alabama.

Can there be any question as to what would be the course of Mr. Goodwyn if he were elected governor? His bitter feeling against Democrats is shown by his voting with the Republicans and against Democrats at, I think, every opportunity during his short career in Congress. His voting to put a white man out of Congress who was elected by a large majority—a majority of almost 3 to 2—and put in his place a negro who was not elected and who is a supporter of the gold-standard policy and every other atrocious policy which is advocated by the Republican party, should be enough to prevent any honest white man voting for Mr. Goodwyn for governor. I do not think the Populists who nominated Mr. for governor. I do not think the Populists who nominated Mr. Goodwyn, supposing him to be an advocate of free silver, will support him when they find that almost his entire course in Congress was against silver and in favor of the gold standard, as was indicated by his votes to put out silver men and put gold-standard



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